

The NATIONAL UNDERWRITER

Life Insurance Edition

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FUTURE PLANNERS

For 73 years the John Hancock Mutual Life Insurance Company and its agents have been planning futures. Many are the policyholders and beneficiaries who have seen those futures arrive.

Men now enjoying retirement on John Hancock life incomes were once young men with the rare wisdom to plan ahead. Others to whom that wisdom came later, but not too late, also know what life insurance has done to safeguard their security. All over America widows are grateful for the security of homes protected by John Hancock insurance . . . young people are being educated because their fathers had life insurance . . . retired business women are being rewarded for the foresight that led them to prepare for retirement through John Hancock plans.

Planning futures is the business of the John Hancock agent. Seeing those futures arrive is an unequalled source of pride and gratification.

John Hancock
MUTUAL
LIFE INSURANCE COMPANY
OF BOSTON, MASSACHUSETTS

FRIDAY, JUNE 5, 1936



Until the littlest one is grown...
they'll need *money every month*

It is some time a father has to figure on when he plans to get insurance and savings may have to last.

Every month, if you weren't... would still be bills for your wife to pay. For a few years, bills for food and clothes and shelter for your youngsters. Then, piled on, bills for the education you want them to have. Not until the littlest one is grown would there be a let-up in the need for *money every month*.

Wouldn't you like to leave them \$100 every month for 20 years? ... and then, in addition, a generous fund to keep your wife independent and secure as long as she lives?

You can arrange all that right now.

YOU CAN LEAVE
your family a sure income of
\$100 EVERY MONTH
if you're earning \$45
a week or more

To keep your family together... to cover the inescapable... after-month expenses... your children through... month for those most important twenty years. Then a fund to support your wife as long as she lives! Or you can arrange for \$75 or \$50 a month... or

Check up on this plan, developed by Union Central Life—a 60-year-old company offering all approved plans of life insurance with over a billion dollars in force.

The coupon... you, by mail, a interesting booklet that shows you clearly much more protection this new plan lets you give your family, by providing money they need it—every month, instead of lump sums. Send the coupon today. It obligate you in any way.

THE UNION CENTRAL LIFE INSURANCE COMPANY
Cincinnati, Ohio
Please mail the booklet that explains clearly how I can give my family the vital protection of money every month.

(The ad is a full page in June 6th Post, June 22nd Time)

PROBABLY there's no faster way to jar a prospect out of his complacency than to point out how *many* years remain before his children will be grown and ready to support themselves... and how *few* years his present insurance would furnish the necessary *money every month* to pay their inescapable bills.

The ad shown above will make many a top-notch insurance prospect aware that he has this very serious problem. And it will also show him a practical, made to order solution—the new Multiple Protection Plan, whereby even men on very moderate salaries can leave *money every month for 20 years*.

Many of these good prospects will write in for further information on Multiple Protection... many more will be ready to "talk turkey" next time a Union Central field representative calls.

The
UNION CENTRAL
Life Insurance Company
CINCINNATI, OHIO

Striving to Serve

During our quarter century of service this institution has worked with industry, business and individuals, to provide life insurance that truly protects.

It has pioneered in the improvement of many provisions found in standard contracts today... it expects to contribute to the improved standards of tomorrow.

Progressive, amply financed, ably managed, this strong Chicago company offers you protection in practically all forms of Life insurance service.



Continental
ASSURANCE COMPANY

CHICAGO, ILLINOIS

Affiliated with

CONTINENTAL CASUALTY COMPANY

The National Underwriter

LIFE INSURANCE EDITION
A WEEKLY NEWSPAPER OF LIFE INSURANCE

Fortieth Year—No. 23

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, FRIDAY, JUNE 5, 1936

\$3.00 Per Year, 15 Cents a Copy

McCankie Scans Interest Outlook

Gives Presidential Address at Annual Meet of American Institute of Actuaries

EFFECT ON ANNUITIES

Finds Trend as to Yield on Investments Still Downward—Cautions Against Overstatements of Age

MINNEAPOLIS, June 4.—R. C. McCankie, associate actuary of the Equitable Life of Iowa, in his presidential message at the annual meeting of the American Institute of Actuaries here, gave some interesting reflections on the interest yield situation, with particular reference to that factor in connection with annuities.

The decreasing interest rates on investments suitable for life companies, he said, have made it difficult for companies to keep up with the interest trend in the revision of their annuity rates.

Most companies have found, he said, that an announcement of a proposed change in annuity rates immediately brings about a decrease in the amount of annuity business received. Immediately after the change takes place there is a notable drop in the amount of annuity business and then there is a gradual upturn until the business has climbed back to approximately the normal amount which was being written before the change took place.

Predicts Continued Sale

Mr. McCankie concluded that no matter what increases may be made in rates or what decreases in commissions, the companies will still receive much annuity business until there is a definite improvement in the rate of interest obtainable in other investment fields.

Actuaries and others in the life business, he observed, for several years have been asking themselves whether they can look forward to an upward trend in the interest rates or whether they must be prepared for a yield approaching, or less than, the valuation rate for some time to come. Few in the business, he declared, have been willing to face the fact that the rate of interest might fall below the valuation rate. Mr. McCankie said he has wondered whether those who have sounded an optimistic note have not been guilty of wishful thinking rather than logical thinking. Based on the experience of the past, the present situation cannot continue for very long, "but it is so shot through with political and social considerations that we question the age old axiom that history repeats itself."

Nationalistic Spirit

Mr. McCankie declared that the intense nationalism throughout the world has a bearing on the interest rate. He expressed the belief that the nationalistic, self-sufficient spirit has a marked

(CONTINUED ON LAST PAGE)

Memorial Service Is Held for Late Frank H. Davis

MOURN ABLE AGENCY CHIEF

Many General Agents Journeyed to His Old Iowa Home to Be Present at Interment

PHILADELPHIA, June 4.—On Tuesday afternoon of this week a memorial service was held in the assembly hall of the home office of the Penn Mutual Life in tribute to the late Vice-president Frank H. Davis, who died Wednesday of the previous week. There was singing by a triple quartet of male voices from the home office choral club. Tributes were paid to Mr. Davis by Mr. Kingsley, John A. Stevenson, head of the home office general agency and Agency Assistant E. Paul Huttering.

Accompanied Remains to Iowa

On Friday afternoon of last week the journey from Philadelphia to Malvern, Iowa, in whose cemetery is the Davis family plot, was begun. Mr. and Mrs. Grover D. Davis, their daughter Dorothy, and Frank Davis, Jr., idolized nephew of Frank H. Davis were the family group. Grover D. Davis was associated with his brother, Frank H. Davis in the Penn Mutual's agency department as manager of sales research. The home office was represented by John A. Stevenson, for many years one of Mr. Davis's most intimate friends and life insurance associates; E. Paul Huttering, agency secretary; D. Bobb Slattery, assistant to the agency vice-president; Dr. J. T. Eads, head of the health bureau. And these general agents had swiftly proceeded to Philadelphia to accompany the body of their fallen chief or met the party at Malvern: Holgar J. Johnson, Pittsburgh, and president of the Penn Mutual Agency Association; Alexander E. Patterson and Charles B. Stumes, Chicago; J. E. Rutherford, Des Moines; A. E. Rumsey, Waterloo; J. M. Lafin, Omaha; Karl E. Madden, Davenport; C. E. Eddleblute, Denver; Wayne Clover, Wichita; E. M. Somerville, Kansas City; L. W. LaBounta, Minneapolis; F. J. Curry, San Francisco; L. J. Duncan, Oakland; A. A. Loeb, Chicago; P. O. Works, St. Louis; L. W. Basham, formerly general agent at Des Moines, and Rene P. Banks, Cleveland. Mr. Banks was an intimate friend of Mr. Davis and the family, their association having begun long ago in Denver and in Wyoming, before Vice-president Davis removed to Philadelphia.

The Masonic funeral ceremony was used at Malvern, and the grave was surrounded with flowers sent by the home office and by many friends in other home offices, and from the field representatives of the Penn Mutual.

In speaking of Mr. Davis President Kingsley said:

"The death of our agency vice-president, Frank H. Davis, has brought to us a great many messages of sympathy and tributes to his character, and to the life insurance service which he so well performed, from home offices and field men, and from his host of friends

Chester O. Fischer Going to Company's Home Office

NAMED IN AGENCY DIVISION

President Perry of Massachusetts Mutual Announces Elevation of St. Louis General Agent

Appointment of Chester O. Fischer, St. Louis general agent of the Massachusetts Mutual Life, to an important position in the home office agency department, was announced in Swampscott, Mass., this week by President Bertrand J. Perry. Mr. Fischer, who has been general agent in St. Louis for more than nine years, is expected to assume his new post at Springfield, Mass., some time this summer. He had just been placed in nomination for vice-president of the National Association of Life Underwriters, of which he is a trustee.

President's Statement

Mr. Perry announced the appointment at the opening session of the annual agents convention. "Recognizing the importance of an aggressive, well-organized agency department," President Perry told the 700 delegates, "Chester O. Fischer will shortly come to the home office and assume an important position in that department."

During Mr. Fischer's term as general agent of the company in St. Louis, his agency has delivered 14,327 policies for \$79,520,378. The agency has become one of the leaders in the country, ranking fourth among the 80 agencies of the Massachusetts Mutual.

Has Excellent Record

Mr. Fischer went to St. Louis in 1926 from Peoria, Ill., where for 13 years he was general agent of the Massachusetts Mutual. A graduate of the University of Illinois, he entered life insurance work in 1914. During his 12 years in the Peoria office, annual business in the territory increased from \$300,000 to \$4,800,000.

Two weeks ago Mr. Fischer was endorsed for vice-president of the National association by the Life Underwriters Association of St. Louis, and if elected, next year, according to custom he would have become president.

Active in Associations

He was instrumental in organizing and was first president of the Illinois Association of Life Underwriters, and in 1932 was active in organizing a similar association for Missouri, being first president. For ten years he has on numerous occasions been a featured speaker at conventions. In 1928 and 1929 he was president of the General Agents Association of the Massachusetts Mutual.

in all lines of business. They have touched us very deeply. The eight years of Mr. Davis's association with the Penn Mutual, with its intimacy in the home office and with our widespread field forces, and the opportunity it afforded to observe his relations with the institution of life insurance as a whole,

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State Officials' Meeting Program

Annual Convention Schedule of the Insurance Commissioners Next Week

SIDE ISSUES ARRANGED

Big Spotlight Event Will Be Started Monday and Will Be Concluded Friday

All insurance lanes lead to St. Paul next week as the annual convention of the National Association of Insurance Commissioners will be held at the Lowry Hotel there. The commissioners will arrive for the most part on Sunday night, a special delegation from the east and south stopping en route at different points. There will be committee meetings Monday. Commissioner and Mrs. Yetka of Minnesota will give a luncheon for visiting commissioners, members of their staffs and wives at the Lowry Monday noon. In the evening there will be a complimentary dinner for the commissioners and camp followers tendered by the St. Paul Insurance Exchange, the Minneapolis Underwriters Association and the Minnesota Association of Insurance Agents. Director Ernest Palmer of Illinois will be master of ceremonies. There will be a floor show.

Convention Starts Tuesday

The convention proper will start Tuesday morning with Commissioner Sullivan as president, in charge. Commissioner Yetka, Governor Olson and Mayor Gehan of St. Paul will give the welcome and the response will be made by Director Palmer of Illinois, who is first vice-president of the commissioners' organization. President Sullivan will give his address, followed by the report of the secretary, Jess G. Read of Oklahoma. Insurance Superintendent McNairn of Ontario will give his paper Tuesday morning on "Progress of Uniformity in Canada." At noon Tuesday there will be a luncheon tendered by the Minnesota Insurance Federation with John A. Hartigan, inspector of agencies of the Equitable Life of New York and former Minnesota commissioner, as toastmaster. The guest speaker will be J. S. Phillips, chairman of the board Great American Indemnity, who was formerly New York insurance superintendent.

Social Security Legislation

In the afternoon there are two papers announced on "Social Security Legislation" by Commissioners Yetka of Minnesota and Williams of Mississippi. Following adjournment there will be a sightseeing tour of St. Paul and Minneapolis, the ladies in one party stopping for tea at the Minikahda Club at Minneapolis, returning to the Women's City Club at St. Paul, for dinner. The men will go to the Lafayette Club at Lake

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Neglect 12-Cylinder Car

Smaller Companies Spreading Over Too Great a Territory at High Cost

BY OTTO GARR TAGUE

Otto Garr Tague of THE NATIONAL UNDERWRITER editorial staff presents another of his series of interesting interviews with life company officials in which he was privileged to talk to them confidentially. In this article Mr. Tague takes up the question of small companies spreading over too much territory.

When 80 percent of an agency force produces only 20 percent of the business, it is obvious that some factor in the sales equation is out of line. But when each member of the 80 percent requires two to three times the supervisory time and costs as each of the 20 percent group, it should be apparent that the entire equation is shot to pieces.

The foregoing statements are but arbitrary symbols that I use for the purpose of introducing a subject to which companies have for years given much careful thought. With a few they are a little short of actual conditions; with many, somewhat overdrawn. But the fact remains that with practically all they represent a problem that, to varying degrees, seriously affect results and costs.

Picture Is Out of Focus

On the whole, too small a proportion of agents produce a volume of business and too large a proportion of time and effort that cost any company money is spent on the individuals of that group, leaving correspondingly less of these that can be devoted to the development of those whose work is most promising and most profitable.

In discussing this matter the other day with an executive whose problem was extreme, I was reminded of the fellow I once knew back in the good old two-car days. One of his cars was a fine, expensive 12-cylinder job; the other a four-cylinder, second-hand affair that he had bought as a convenient, short-run utility car. He liked that little car because he could get around in it so easily. It would park anywhere. He never had to worry about its being stolen. Being in daily contact with it, he got to petting it as though it were a baby. The minute it developed a squeak, rattle or knock, into the shop it would go. Being under daily observation, it never lacked oil, gas, water or grease.

Squeaks and Knocks Developed

Using the big car but infrequently, he got to taking it for granted. It was big, strong and thoroughly dependable—a regular self-starter. Go to his garage with him and he would point to it with pride. On one of the infrequent occasions when he needed this big car for a quick and impressive trip to a nearby city for an early morning conference, my friend rushed out to the garage and tore away. Attaining the highway, he opened her up. His mind was intent on the impending conference, he failed to notice his oil gauge. Half way to his destination, he was amazed to hear squeaks and knocks of multiple intensity and quantity such as had never been emitted by the small car. He missed the conference and lost a fine contract. He also had a big repair bill to pay. For when the pistons freeze in 12 cylinders it is a big freeze and a big repair bill.

Neglected the 12-Cylinder Men

The case of my friend is analogous to that of the vice-president of a middle western company to whom I referred. He paid such careful attention to his four-cylinder producers that he got in the habit of neglecting his 12-cylinder men. They didn't quite freeze up on him before he discovered his mistake,

but they had become a little hot for want of oil. But let him tell you about it, as he related the facts to me.

"You ask me, 'What is wrong with life insurance practices?'" he began. "Well, it is my judgment that many of our troubles, especially those of the smaller companies, such as ours, have their origin in two sources: First, the tendency to spread our efforts too thinly over too large a territory; second, the resulting tendency to appoint agents in far off territories without sufficient regard to their qualifications.

"Neither of these practices was so bad back when men were working and farmers had something other than government doles out of which to pay premiums. In those good old days, you could hand almost any intelligent man a rate book and a bunch of application blanks in the confident expectation of receiving some business from him. Such a man always had a few friends who would be inclined to buy a policy just to help him along.

Spread Over Wide Territory

"Our company had proceeded on that plan, back in the good old days. We had entered states in various sections of the country without much regard to contiguity until we were finally doing business in 12 of them, scattered from coast to coast. In all of them we organized reasonably satisfactory agency forces and from all we received a fair volume of business for a number of years. These 12 states being scattered all over the country, we couldn't, or didn't, organize most of them intensively. Finding it difficult and expensive to supervise them personally, we grew to depend more and more on correspondence as a means of maintaining contact with these men supplemented by occasional trips that I made into the outlying territories.

Activity Was Justified

"Results continued to justify this widespread activity until things began to tighten up. As this occurred I found it more and more difficult to hold these men in line and obtain from them the same volume of business that we had been receiving. So more and more of my time was given to them. I got into the habit of making increasingly frequent trips into these outlying territories for the purpose of bucking up those agents whose production was falling off or for replacing those who could not stand the gaff.

"In the meantime, we had agents in our home state and those three or four nearby in which we had started to do business who were, under these condi-

tions, receiving less and less attention from me. They, too, were finding it increasingly hard to close business. Some of these agents and general agents had been with us for a good many years—a few almost from the organization of the company. But I was inclined to act upon the theory that these would be able to look after themselves without much attention from me.

"This continued for better than a year. Week by week and month by month our analyses increasingly indicated that we were devoting three-fourths of our time and effort to our far flung territories from which less than 25 percent of our volume was coming and a correspondingly decreased amount of attention to these agents closer to home. Finally, we reached the conclusion that this was all wrong—that these older agents deserved more consideration at our hands and that by concentrating our attention on them we could probably accomplish results that would prove nearly as satisfactory and that these results would not cost us as much money to produce, per dollar of business, as they had been costing.

Practice Was Reversed

"So we reversed our practices. We started to give these men in our nearby states every possible attention and help. We even went farther than that. We carefully analyzed the business of each of them and further concentrated our efforts at the time to those men in this group whose records showed that they were most deserving. Even in these closer states we found that a relatively small number of our agents were producing the greater proportion of our business. We further discovered that their business was better sold and that the lapse ratio was considerably lower than that of any other group and much lower than the general ratio of all agents.

"Through very careful concentration of our efforts along these lines it was possible for me to devote most of my time to visits with the agency groups in the four states near our home office and to that sort of frequent personal correspondence that I had not had time for in the former period. Each of these men's problems was given most careful consideration. If any one or more of them showed an inclination to let down, I was right out in his territory with him. I personally sold in front of him. I took over his hard cases and was frequently able to close where he had failed.

Results Began to Develop

"We provided all of these men with every outside help we believed would assist them, either in building up their morale or in providing them with proven working methods. Your Diamond Life Bulletins were introduced as a most effective accessory to our efforts along this line. We held frequent district and local meetings in which methods of prospecting, programing, meeting ob-

jections, as suggested therein were discussed with great profit to all concerned.

"Rapidly results from these intense efforts began to develop. Men who had been on the verge of dropping from the ranks after long years of service took on new life. Their production increased, per capita. As these men regained their former confidence in themselves and the company, we were able, through this nucleus, to attract other good candidates each of whom was given the same intensive attention for a sufficient period to indicate his worthiness of further confidence. Those who failed to show this to a reasonable degree were kissed out and others took their places. The entire process required all the courage we could muster for you may well imagine that these radical steps made our agency personnel look, for a year or two, like a cyclone had struck it.

Better Percentage of Profits

"But the results have entirely warranted our action. One very striking result was that, while during the first five or six months we seemed to be wrecking our agency force, the business we wrote, although considerably reduced in volume, actually produced a better percentage of profits. Our dollar for dollar expense ratio was almost cut in half, among other things. Today, with our main attention concentrated on the four states in which we have been doing business most of the years we have been organized, we have good representation in practically every worthwhile community and, while we still receive some business from the other eight states, we are showing a constant increase from the four states that more than offsets the losses from the others. And it is far more profitable for our ratio of selling costs has been reduced by about 22 percent.

"After this experience it is my settled conviction that any relatively small company, such as ours, that is spreading its sales efforts over a large, loosely organized territory, might, with profit to all concerned, find in our experience something well worthy of careful consideration. I know that we will have to be much bigger and stronger before we will again attempt to take the country by storm."

Far be it from me to deign to offer any advice to companies, large or small. I am, therefore, offering the comments and experience of my friend for what they may be worth.

Should Watch the Big Cars

Based, however, on the many conferences I have recently had with company executives, and the increasing tendency I have noted among them to give careful thought to the elimination of part time agents and marginal producers, it occurs to me that this suggestion of greater concentration of sales efforts and especially the devotion of more time and attention to those men who are profitable producers that has been so successfully followed by the company referred to may be worthy of careful thought. Of one thing I am convinced: Too great concentration of attention on and care of the four-cylinder car may result in neglect of the 12-cylinder self-starters that may result in very expensive repair bills.

Has Endowment at 100, Paid When He Reaches 99

In 1876, Thomas J. Maupin, now of Wichita, Kan., purchased a policy on the endowment at age 100 plan from the Connecticut Mutual. The other day Mr. Maupin was 99, and the company directors decided he had waited long enough. They voted to pay him the face amount, and sent him a check.

THE WEEK IN INSURANCE

A touching memorial service was held in the auditorium of the Penn Mutual Life head office for the late Vice-president Frank H. Davis. **Page 1**

Interest outlook is surveyed by President R. C. McCankle of American Institute of Actuaries at annual meeting held in Minneapolis. **Page 1**

It is expected that in the middle of the month the courts will decide on the successful bidder for the Continental Life of St. Louis. **Page 4**

Record of Nebraska business for last year. **Page 5**

Capt. W. R. Baker, formerly Kansas insurance superintendent, is appointed permanent receiver for the Federal Reserve Life of Kansas City, Kan. **Page 11**

S. E. Stillwell, vice-president and actuary of the Western & Southern Life, is retiring from active business. **Page 10**

Plans for the annual meeting of the National Association of Insurance Commissioners at St. Paul are completed. **Page 1**

Chester O. Fischer, St. Louis general agent Massachusetts Mutual, to take important post in home office agency department. **Page 1**

Advantages of C. L. U. designation are shown in results of questionnaire conducted by New York chapter of Chartered Life Underwriters. **Page 8**

A new rate book, a special retirement endowment contract for women and payment of full commission on supplementary disability contract was announced at the agents' convention of the Mutual Benefit Life at White Sulphur Springs. **Page 4**

Robert Henderson, vice-president and actuary of the Equitable Life of New York, is retiring from active service. **Page 10**

Report of Senate Finance Committee

Favors Sliding Tax Scale 15-18½ Percent on Net Income

FOR LONERGAN MEASURE

Provision Makes Headway to Exempt From Levy Insurance Earmarked for Payment of Inheritance Taxes

WASHINGTON, June 4.—Insurance corporation taxes, ranging from 15½ to 18 percent and the Lonergan amendment providing for exemption from taxation of proceeds of policies made payable to the treasurer of the United States for the payment of inheritance, estate and other death taxes, featured the new revenue bill as reported to the senate by the senate finance committee.

In lieu of the flat rate of 15 percent to be applied against the net income of insurance corporations under the bill as passed by the house, the finance committee would apply a sliding scale ranging from 15½ percent on the first \$2,000 of net income to 18 percent upon net income in excess of \$40,000.

Foreign Company Features

The committee also wrote into the bill new provisions relating to foreign companies, although such companies are to take the same rates as the domestic corporations. Mutual companies, other than life, also will take the 15½ to 18 percent rates and will be taxable in the same manner as other corporations; they will not, however, be subjected to the 7 percent surtax to be applied against the undistributed net income of other corporations.

In the case of foreign life companies, the committee adopted a provision making the tax "an amount which bears the same ratio to the normal-tax net income, computed without regard to this paragraph, as the reserve funds required by law and held by it at the end of the taxable year upon business transacted within the United States bear to the reserve funds held by it at the end of the taxable year upon all business transacted."

In adopting the amendment of Senator Lonergan of Connecticut to provide for insurance payment of death duties, the committee adopted restrictions which would prevent the purchase of such insurance outright and limited the amount which could thus be applied against taxes to \$1,000,000.

Wording of Amendment

To be known as Section 801 of the Revenue Act of 1936, the amendment provides:

"(a) Section 401(c) of the Revenue act of 1932, as amended, is amended to read as follows:

"(c) For the purposes of this section the value of the net estate shall be determined as provided in Title III of the Revenue Act of 1926, as amended, except that (1), in lieu of the exemption of \$100,000 provided in Section 303(a) (4) of such Act, the exemption shall be \$40,000; and (2) there shall be deducted from the value of the net estate as thus determined the proceeds (to the extent included in gross estate) of life-insurance policies payable to (and received by) the treasurer of the United States in trust for the payment of estate, inheritance, succession, legacy, or other death duties levied by the United States against or with respect to the estate of

Presides at Minneapolis Meeting of Actuaries



R. C. McCANKIE

R. C. McCankie, associate actuary of the Equitable Life of Iowa, is presiding this week at the two-day annual session of the American Institute of Actuaries in Minneapolis. It is the custom of the institute to have its presidents serve two terms, so Mr. McCankie will undoubtedly return to office triumphantly in the elections Friday.

the decedent, exclusive of any excess over the amount of such taxes which excess shall be accounted for (without interest to the executor or administrator of the decedent for the benefit of the

(CONTINUED ON PAGE 18)

Inflation Highly Unlikely, Says Thomas A. Buckner

SITUATION IS NOT FEARSOME

Head of New York Life Expresses Optimism at Meeting of Agents in Detroit

DETROIT, June 4.—No matter who is elected President—except Townsend—the country is safe, "there is no more chance of printing press money coming in the United States than that the Heavens will fall," according to President T. A. Buckner of the New York Life, who addressed a gathering of his company's agents here.

Nothing to Fear

"There is nothing in the political or financial situation to cause anybody to be afraid," he said. "In my opinion this talk of inflation is all bunk, if by inflation we mean printing press money put out with nothing back of it or nothing to redeem it. . . . Some talk of credit inflation. That is going on all the time. The life insurance companies are assisting in that through their purchase of government bonds. That acts to broaden the credit base. But there is nothing to fear in that."

Mr. Buckner's remarks, though intended solely for the company's own agents, were picked up by the daily press and circulated widely. Editorial comment was generally favorable, although some editors refused to alter their gloomy views of the national situation and were irked rather than buoyed up by Mr. Buckner's optimistic reassurances.

Agents of the Metropolitan Life's Macon, Ga., district were rewarded with a week-end deep-sea fishing trip because of good production.

C.L.U. Designation Improves Earnings

Results of Questionnaire Conducted by New York Chapter Are Given

AVERAGE INCOME \$6,743

High Persistency of Agents and Business and Increased Sales Are Some Advantages

NEW YORK, June 4.—That there is a substantial money value to the Chartered Life Underwriter designation, both to the C. L. U. himself and to his general agent or manager, is shown by questionnaire results just released by the New York chapter. The answers indicated that those engaged in selling averaged \$6,743 income in 1935 and those devoting more than 25 percent of their time to management, supervisory or home office work averaged \$8,500. The survey covered the period 1931 through 1935 and members receiving their designations during or before 1933.

While the United States national income was dropping sharply in the years immediately following 1931 and staging a partial recovery in 1934 and 1935, both the selling and supervisory groups of C. L. U.s made a much better relative showing. The salesmen's group at its lowest point in the period—1933—was 80 percent of the 1931 level, while the national income, which also hit its low point that year, was only 72 percent of 1931. The supervisory group, dropped only 1 percent below its 1931 level and in all the other years showed a plus, particularly during the last two years.

Figures Are Given

The report, which was made by Thomas G. Murrell and C. Lamont Post, disclosed that the average size policy was about \$6,000, which from a general agency standpoint may be the ideal, while it is stated that the probable persistency of this business would be high—close to Linton's "A" rate. As for the persistency of the men themselves, it is noteworthy that only one C. L. U. out of the 110 in the greater New York area left the life insurance business during this 5-year period.

Advantages Are Cited

One general agent pointed out that an agency composed of 30 of these average C. L. U.s would be marked by excellent business persistency, low collection costs, little or no financing problem and the general agent would have to recruit only one man every two years. It was estimated the general agent would earn about \$48,000 a year from such an agency, assuming the usual percentage of brokerage business.

The report points out that the high average earnings of C. L. U.s in supervisory capacities are probably due to the fact that many of the more ambitious young men in management positions, as well as these aspiring to supervisory work, completed their C. L. U. examinations during the early days of the C. L. U. movement.

Young Men Affect Results

"No doubt the emphasis which companies have placed upon younger successful personal producers in their appointments contributed to these results," the report continues. "Moreover it is probable that successful personal producers were among the first attracted to C. L. U. study. Therefore, future

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A LIFT SALE

Our Oakland, Cal., General Agent went to an outlying town to help one of his associates deliver some policies. While in the hotel elevator, the local whispered to his Chief, "The elevator man looks like a good risk." "Let's see you sell him," said the General Agent. He left the lift at the floor on which his room was situated, and the other remained behind. Up and down, and up and down, and up and down went the elevator, its engineer listening to a sales talk given in fractions between stops and starts. At length the Agent got him to stop stock still at the third floor, and there, while the irritated bell sizzled 60 or more times from various floors, the closing was made and the sale completed.

The Agent, flaunting the application, remarked to his senior, "A good example of the 'ups and downs' of a life insurance salesman!"

The old slogan may be a bit expansive, but it is nevertheless trustworthy—"Always a prospect at each elbow!"

THE PENN MUTUAL LIFE INSURANCE CO.

WM. H. KINGSLEY, President

Independence Square

PHILADELPHIA

Mutual Benefit Agents in White Sulphur Convention

FETE VICE-PRESIDENT RHODES

Executive Awarded Testimonial for 50 Years of Service; New Rate Schedule Announced

Announcement of a new improved rate book, a new special retirement endowment policy for women and new disability rates, and the presentation of a testimonial award to Vice-president E. E. Rhodes on his completion August 2 of 50 years of service, featured the 1936 agents' convention of the Mutual Benefit Life at White Sulphur Springs. Some 200 agents, together with 90 general agents, supervisors and home office people, attended.

H. G. Kenagy, who was introduced as new superintendent of agents, who announced the new rates and endowment contract for women, pointed out the present favorable position of the Mutual Benefit and commented on its service as a "policyholders' company." He also called attention to the fact that, of the agents in attendance who have been with the company for more than a year, the average length of service was in excess of 13 years. He stated that he would strive to make the Mutual Benefit equally well known as an "agents' company," and announced that henceforth full commissions will be paid on the supplementary disability contract. (The new schedule of rates is given elsewhere in this issue.)

Rhodes Is Honored

Vice-president Rhodes was honored at the banquet, being presented a testimonial book containing signatures of all full time agents. General Agent De Groat of Boston, who made the presentation, extolled Mr. Rhodes for his loyalty to the principles of the Mutual Benefit.

In his response, Mr. Rhodes pointed out that the home office had only 50 employees at the time he became connected with it in the actuarial department. President Hardin, in commenting on the award, stated that in addition to having figured in Mutual Benefit history, Mr. Rhodes is one of the most distinguished men in the life insurance business. "He has helped to build our traditions and to carry on our traditions," he continued. "He not only has supported those ideals, but he has strengthened them, and no story of the continuity of the Mutual Benefit would be complete without such recognition as has been given to him this evening."

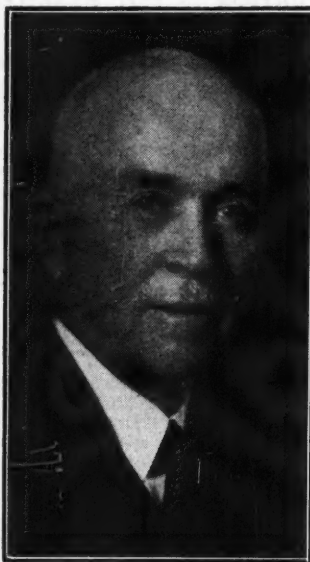
Thompson Analyzes Finances

Vice-president J. S. Thompson analyzed the financial position of the company. He especially called attention to improvement in the mortgage situation, particularly in the size of the group of properties in process of foreclosure, which is now about half what it was in January, 1933. Likewise, acquisitions through foreclosure during the first four months of this year are only three-quarters of those for the same period in 1935, less than half those in 1934 and about 40 percent of those in 1933. Sales have increased, prices have improved and he said that indications were the improvement would continue. He also called attention to the fact that all the reserves are computed on the 3 percent basis.

A. H. Kollenberg of the Grand Rapids agency, who spoke on "Selling the Security Values of Life Insurance," stated that "every conquest of nature, every discovery in science, every invention, every improvement in art and government, has for its ultimate goal the increased security it adds to our lives." He pointed out that of all discoveries and inventions of human genius, that which robs death of its perils must be regarded as the greatest. He said that life insurance performs this task most ably.

"Despite all talk of inflation," he con-

Retires After 23 Years With Great-West Life



CHARLES A. BUTLER

Charles A. Butler of Montreal, superintendent of eastern agencies Great-West Life, retired from active service June 1 after 23 years with the company. His territory covered the Maritimes, Quebec, Ontario, Michigan and Illinois, and he contributed largely to the growth of the company's business in those districts.

Entering the service of the company in 1913 as manager of the Montreal branch, he organized the province of Quebec for the Great-West Life. His success in this field resulted in 1924 in his appointment to the post he now relinquishes. During his career Mr. Butler took a keen interest in the Canadian Association of Life Agency Officers and was chairman of its executive committee in 1932.

continued, "I am still of the unshaken conviction that for the great mass of our people life insurance is not only a good investment, it is the only one in which a man has a right to invest his shrinking assets for the security of himself and his family. The test of a successful salesman is not his ability to write a large number of lives or great volume of business in a given period of time, but his ability to develop a clientele which will continue to yield a satisfactory volume year in and year out."

Hardin Presents Awards

Bruce Parsons of the A. A. Drew agency, Chicago, was toastmaster at the banquet at which Mr. Kenagy outlined a seven point program for success in life insurance selling. The following awards were made by President Hardin:

Mr. Parsons, in recognition of his leadership in paid business during 1935; W. H. Cobb, Americus, Ga., Atlanta agency, for leading in number of paid lives in 1935; H. C. Sherman, Provident, for 1,000 weeks of consecutive weekly production, and the Milwaukee agency, which was awarded the president's cup for the best record of percentage of increase in volume of business during the convention period, as compared with production for 1934.

Cook Presides on Saturday

Paul W. Cook, Drew agency, Chicago, presided at the Saturday session. At the dinner that evening it was announced that a 50-day campaign in celebration of Vice-president Rhodes' 50th service anniversary will begin on Aug. 3. Headlining the recreational program was the Ohio golf cup match. The Ohio cup, presented by J. S. Drewry and his Ohio agency, was won for the first year by R. S. Koehler of the Pittsburgh agency.

Interest Taken in Bids for Continental Life, St. Louis

KANSAS CITY LIFE FAVORED

Hold Hearing on Company to Be Taken Over by Order of the Court Shortly

ST. LOUIS, June 4.—Circuit Judge Joynt on or about June 15 will conduct a hearing on the eight bids that were submitted several weeks ago for the purchase of the Continental Life of St. Louis which has been in the hands of Superintendent O'Malley since May 25, 1934, for rehabilitation purposes.

Bids were received April 27 in accordance with the authorization of Judge Joynt. However, they were withdrawn almost immediately by F. P. Aschmeyer, special attorney for the Missouri department in connection with the Continental Life situation. The purpose of this withdrawal was to permit Superintendent O'Malley and his aids to study the various proposals.

Bids Received

In his report to the court Mr. O'Malley did not outline the details of the various offers, which included:

Bids to purchase and reinsure by the Kansas City Life, State National Life of St. Louis and the United Benefit Life of Omaha; two alternative proposals to purchase and reorganize by the Occidental Life of Los Angeles; a plan to purchase and reinsure submitted by the Mound City Life of St. Louis, recently organized; a plan of mutualization and reinsurance by James M. Crume of Chicago; a plan for mutualization and reorganization by J. J. Leonard, A. D. Tibbals, C. B. Burgess, T. F. Bowdren, N. R. Darragh, P. J. McGuire and G. J. Herbst of St. Louis; a plan to form a new stock company to purchase and reinsure by H. R. Hudson of Oklahoma.

Superintendent O'Malley's Report

In his report of May 29, Superintendent O'Malley recalled that last January he had advised the court that as of Dec. 31, 1935, the Continental Life had a deficit of \$2,040,451. It now has about \$57,000,000 of insurance in force compared with about \$94,000,000, at the close of 1933 shortly before Mr. O'Malley began his legal attack of the company following the refusal of Ed Mays, president, to submit to the demands of the Missouri department.

While Superintendent O'Malley has made no recommendations up to this time it is believed that the Kansas City Life offer holds the inside track. It is understood also that the proposal of the State National Life is also a very attractive one.

Kansas City Life's Proposal

The Kansas City Life proposal would place a 50 percent lien on the nonregistered policies, but it is stipulated that this lien shall not bear interest and the company also guarantees to wipe out this lien within ten years. The registered policies would not be affected by the lien. The Kansas City Life would also pay all death claims, matured endowments, annuities and certain other classes of claims under the original terms of the Continental Life policies to be assumed. Only the cash withdrawal and loan values of nonregistered policies would be affected by the 50 percent lien.

The Kansas City Life further offered to make payment within 60 days after the reinsurance contract is signed on various types of due and payable claims. It would take over all of the assets except \$225,000 which would be retained by Superintendent O'Malley for the payment of attorney fees and other expenses incident to the rehabilitation process.

Under its proposal the Kansas City Life would apply all of the net earnings to the reduction of the lien and would not assess any service or administrative charges against such earnings.

It also agrees to sell the Continental

Little Rock Agent Was on the Job Back in 1846

In connection with the Connecticut Mutual 90th year jubilee this year and the announcement that it established an agency in St. Louis in 1846, Inspector of Agencies H. H. Conley of the New York Life at Little Rock, in delving into the archives of that state, discovered that R. L. Dodge was agent for the New York Life at Little Rock, Dec. 11, 1846. On that date he had an advertisement in the Arkansas "State Democrat." The company has a record of five policies written by Mr. Dodge prior to March 16, 1847.

Celebration at Philadelphia

Insurance Federation of Pennsylvania to Observe State Insurance Days; 5,000 to Attend

PHILADELPHIA, June 4.—The 1936 Pennsylvania Insurance Days Celebration of the Insurance Federation of Pennsylvania, which gets under way tomorrow at the Bellevue-Stratford Hotel in Philadelphia, promises to be one of the outstanding insurance gatherings of the year. From all indications the registration will come close to 5,000.

The conclave also will observe the 200th anniversary of the birth of fire protection in the United States—the Union Fire, first volunteer fire company in America, having been started in Philadelphia in 1736 by Benjamin Franklin. The dinner in honor of President Kingsley of the Penn Mutual Life on Friday night will be broadcast in part by station WFIL. While the stations are indefinite at this time, it is highly probable the dinner will be carried on a national broadcast, making it one of the few insurance affairs to be so honored by the radio.

Program Is Given

The Insurance Days will officially open with the luncheon conference tomorrow. John A. Stevenson, general chairman of the convention, will call the session to order and will preside during the address of Mayor Wilson and "Jim" Murray, of Pittsburgh. Commissioner Hunt will act as chairman during the program which will follow, which has been arranged by the Accident & Health Club of Philadelphia.

Dr. S. S. Huebner and J. R. Duval will speak and John F. Leibig, president Accident & Health Club of Philadelphia, will discuss "New Opportunities in the Income Protection Field." The regular federation annual meeting will follow the luncheon conference. Tomorrow night all of the delegates will be the guests of the Philadelphia Health & Accident Alliance at a smoker.

Seeking Closer Relationship

PHILADELPHIA, June 4.—Seeking closer relationship between the Philadelphia Association of Life Underwriters and the Corporate Fiduciaries Association, committees of the two organizations decided on a series of meetings for the purpose of furthering cooperation between agents and trust companies.

The first meeting will be held today at the headquarters of the Philadelphia association.

Speakers will be J. L. Weatherly, manager insurance trust department of the Fidelity-Philadelphia Trust Company, on "The Trust Approach in Life Insurance Selling," and F. L. Bettger, Fidelity Mutual Life, on "Business Insurance in Conjunction with Life Insurance Trusts."

Life building at 3615 Olive street to the stockholders of the company for \$1,100,000 at any time prior to December 1, 1937. The insurance department has valued the building at \$1,500,000.

RECORD OF 1935 NEBRASKA BUSINESS

The Nebraska stock legal reserve companies wrote in new business last year in their home state \$16,459,196 and have insurance in force \$130,463,686. The leader was the Bankers of Lincoln with \$6,798,285 new business and \$66,852,276 insurance in force. The Lincoln Liberty Life was next with \$2,461,879 new business and \$14,445,387 in force. Next was the Union National of Lincoln with \$1,852,405 new business and \$3,806,242 in force.

Record of Outside Companies

The outside stock legal reserve companies wrote in new business \$31,768,328 and have in force \$234,162,551. The leaders were the Aetna Life with \$2,036,239 ordinary and \$19,671,332 in force; Kansas City Life, \$1,260,631 new business and \$9,866,569 in force. The Lincoln National Life had in ordinary \$2,246,192 and has in force \$21,746,707. The Northwestern National Life had \$1,932,826 new business and \$13,791,608 in force. The National Reserve Life of Topeka had in industrial \$1,139,072 new business and has \$1,831,569 in force. The Ohio National has in new business \$1,542,101 and has in force \$17,244,159. The Travelers' ordinary was \$1,339,908 and has in force \$19,771,328. Its group was \$2,470,650. The Union Central's

new business was \$2,242,926 and it has in force \$24,053,467.

Nebraska has a number of mutual legal reserve companies, they writing in new business \$8,319,123 and have in force \$51,163,198. The leader was the Security Mutual of Lincoln with \$2,674,380 new business and \$21,157,136 in force. The Cosmopolitan Old Line Life had in new business \$1,635,630 and \$6,859,224 in force. The American Annuity of Omaha had in new business \$1,090,095 and has in force \$3,093,402.

The outside mutual legal reserve companies had in new business \$60,879,690 and have total of \$506,588,675 insurance in force. The leaders in new business were the Bankers of Iowa with \$2,138,101; Equitable of New York, ordinary, \$3,394,884 and group, \$7,088,616; John Hancock, ordinary, \$1,254,083 and industrial, \$2,621,443; Massachusetts Mutual, \$1,177,575; Metropolitan, ordinary, \$3,810,901, group, \$2,420,705, industrial, \$5,069,557; Minnesota Mutual, \$1,001,378; Mutual Benefit, \$1,220,370; Mutual Life of New York, \$2,635,889; New England Mutual, \$1,850,891; New York Life, \$4,990,190; Northwestern Mutual, \$3,456,012; Prudential, ordinary, \$5,515,944, group, \$1,515,505, industrial, \$5,103,365.

Illinois Department Men Start Consulting Office

The chief examiner of the Illinois insurance department, Chase S. Conover, and the assistant actuary, W. C. Green, are resigning to form the firm of Conover, Green & Co., insurance consultants and actuaries. They will be located at 120 South La Salle street, Chicago. Both men are well known and respected by the business and their services will doubtless be extensively sought.

Mr. Conover has been connected with the department something over 12 years. For nine years he was an examiner, making examinations of all classes of companies—life, fraternal, casualty and fire. He was appointed chief examiner by Insurance Director Palmer about 3½ years ago and he has thus had an opportunity to study the operations of practically every insurance organization in Illinois and many domiciled in other states.

Mr. Green was for eight years connected with Coates & Herfurth, consulting actuaries of San Francisco. During that time his work covered public and private retirement systems, fraternal and casualty, in addition to life insurance consulting. He joined the Illinois department three years ago. He is a graduate of the University of Michigan and is an associate of the Actuarial Society of America, American Institute of Actuaries and Casualty Actuarial Society.

Several other members of the staff of the Illinois department have left in recent months to seek private employment. Theodore Keelen is now connected with the Builders & Manufacturers Mutual Casualty; M. W. Powers, with the Chicago Motor Club; B. B. Livergood, Hardware Mutual Casualty; H. G. Seaman, James S. Kemper organization, and M. D. Ebner, who is manager of the Builders & Manufacturers Mutual Casualty.

Asks Liquidation of Concern

Director Palmer of Illinois has asked the St. Clair, Ill., county circuit court to order liquidation of the Peoples Mutual Relief Association of East St. Louis on the grounds it is insolvent. His petition states that an audit as of Feb. 29, showed the company failed to pay claims totaling \$125 and no guarantee fund had existed for the last six months. June 8 was set for hearing.

Good Results Found from Travelers Training School

Twenty-seven graduates of the most recent session of the Travelers' home office school for agents produced a total of 115 applications their first two weeks in the field, according to reports from the agency department.

The class, which included 34 young men, was graduated May 2. Of the seven graduates who did not produce, four encountered delays in securing their licenses, two remained in New England before returning to their homes, and one decided not to enter the insurance business.

Classification of Business

Of the 115 applications secured by the new agents in their first two weeks in the business, 60 were for life policies, 55 for accident. One young man of Dallas led the branch there in number of life applications written during Life Insurance Week. Another at Duluth wrote 11 life applications during Life Insurance Week. A Baltimore graduate wrote 13 applications during his first two weeks in the business, establishing an "app-a-day" record. A graduate from Holyoke wrote 11; one from New Haven, nine, and two from Bristol, Conn., and Amsterdam, N. Y., wrote six each in the two weeks.

Roberts on Miss. Commission

JACKSON, MISS., June 4.—Commissioner Williams announces the appointment of R. W. Roberts of Jackson as a member of the state insurance commission, effective on June 25, when the present members' terms expire.

Mr. Roberts is executive secretary of the Mississippi Association of Insurance Agents, and is a member of the insurance firm of Wharton & Roberts in Jackson.

A. I. U., Inc., Suit Settled

Settlement of \$7,500 has been arrived at out of court between R. C. Tharrington of Pittsburg, Kan., and the American Insurance Union, Inc., which is now the Cooperative Life of Columbus, O. Tharrington sued the A.I.U., Inc., for \$146,000 on the allegation that A. F. Coyle, former official of the A.I.U., Inc., made a contract with him to serve as general agent in Oklahoma, Kansas and a part of Missouri.

The June advertisement* of the Metropolitan carries a message to all husbands, new and old.

Most of these husbands will cordially agree with the statement, "Of course you hope that in your married life there will be the least possible worry about money matters."

Helping to remove worry over money matters is every Field-Man's job. The Family Protection Plan is a way—and, in many cases, the only way—by which these fears may be removed.



*Business Week, Collier's, Cosmopolitan, Forbes, Nation's Business, Saturday Evening Post, Time.

METROPOLITAN LIFE INSURANCE COMPANY

Frederick H. Ecker, Chairman of the Board

Leroy A. Lincoln, President

ONE MADISON AVE., NEW YORK, N. Y.

The Story... that never grows old...

We love to tell the story. It is our theme and glory—to tell the old, old story . . . of INCOMES . . .

INCOMES—for those disabled by
Sickness and Accident

INCOMES—for the family in event
of death

INCOMES—for Education

INCOMES—for Retirement—when
men and women get off
the pay roll and on to
the Play roll . . .

The story that never grows old—"It
Pays All-Ways."

BUSINESS MEN'S ASSURANCE CO.

Kansas City, Mo.

W. T. Grant, President

Reliance Mutual Reinsuring Two Benefit Associations

EXPECT APPROVAL THIS WEEK

Gets Business of Commonwealth Mutual Benefit and Illini Mutual Relief of Kankakee

The Reliance Mutual Life of Chicago is taking over the business of the Commonwealth Mutual Benefit Association and the Illini Mutual Relief Association of Kankakee, Ill., and is now completing reinsurance arrangements. Policyholders of the Reliance Mutual have approved the reinsurance agreement and approval of the two associations is expected at a policyholders' meeting this week. Approximately \$1,000,000 of insurance is involved.

Under the contract, the Reliance Mutual assumes payment of all death claims under association certificates, occurring before the effective date of the contract. Where death occurs on or after the effective date, claims will be paid under the terms of the legal reserve policy issued by the Reliance. All association certificates will be canceled, the holders to receive policies in the Reliance Mutual under the following schedule: Each certificate holder 55 years or under at the effective date will receive a legal reserve 10 year term policy, ranging from \$1,000 for ages 10 to 45, to \$600 for ages 50 to 55. Assured over 56 will receive a yearly renewable term policy with amount of insurance decreasing annually to attained age 70 with automatic conversion to ordinary life at that age. Assured 70 years or over will receive a legal reserve level premium ordinary life policy for \$150 at a monthly premium of \$1.75.

Right of Reinstatement

Association members whose certificates have lapsed but who possess right of reinstatement will have the same right, but it must apply to the issue of the above policies.

The Reliance Mutual Life was organized in 1930 by policyholders of the old Covenant Life of Chicago, which was started in 1900. The Covenant, an assessment company, reinsured in the Reliance and transferred to a legal reserve basis. Insurance involved amounted to \$2,296,000 and \$500,000 of assets were transferred. Covenant policies were reinsured without any increase in premium rates and a lien of 25 percent was placed on all cash surrender values of the old policies as they were based on the original date of issue.

Will Have \$4,000,000 Insurance

With the acquisition of the two associations, the Reliance Mutual will have about \$4,000,000 of insurance. The company entered Indiana April 1, opening an office in East Chicago. It operates only in the two states. Officers are as follows: O. W. Carlson, president; D. H. Johnson, vice-president; O. K. Swanberg, treasurer; C. L. Halverson, secretary, and H. O. Carlson, assistant secretary and actuary.

The Illini Mutual Relief was organized 15 years ago while the Commonwealth has been operating for five years. G. W. Thomas is head of both organizations and after the Reliance Mutual has taken over the business will conduct a general agency for the company in Kankakee.

Kentucky Investment Ruling

FRANKFORT, KY., June 4.—Domestic insurance companies may not invest their funds in trust agreements in the absence of a statute giving them that authority, J. W. Jones, assistant attorney general, holds in an opinion to C. I. Brown, assistant insurance commissioner.

Successful Sales Contest Programs Outlined at Meet

An outline for a successful sales campaign was presented at the North Central Round Table of the Life Advertisers Association in Chicago by E. E. Kirkpatrick, superintendent of agencies, Ohio National Life as follows:

1. Objective:
 - a. Must be clearly stated.
 - b. Must benefit the salesman.
 - c. Must coincide with the sales policy of the company.
 - d. Must be an objective possible of accomplishment.
2. Plan:
 - a. Must be properly timed both as to beginning and end.
 - b. Must be completed in advance of the time the campaign is to begin.
 - c. Must be sold to salesmen.
 - d. The campaign must appeal to all salesmen from the greatest to the least.
 - e. Must be dramatized both in the announcement and in the follow-up to sustain interest.
 - f. Must have a theme familiar to salesmen.
 - g. Must be capable of arousing enthusiasm.
3. Awards:

Rules for Awards

- a. The rules for winning awards should be so prepared as to give each group of producers graded according to production a chance to win.
- b. The awards should be something any salesman will be happy to win, not only for the honor it brings but because it is something he is proud to own.
4. The follow-up should:
 - a. Be planned in advance.
 - b. Provide systematic stimulation.
 - c. Dramatize achievement.
 - d. Furnish an audience.

In discussing sales drives, A. Scott Anderson, manager service section Equitable Life of Iowa, said that one day sales drives on a paid business basis with no prizes have proven profitable for his company. The drive can be made attractive enough to secure effort without prizes, he said. He has tested the contest business and found that it does not vary much in persistency from the regular. He believes in making drives simple. A letter or a folder is sufficient. In a one day anniversary drive, each agent qualifying with an application was asked to buy a post card with a scene from his home city and mail it to the honored man with an appropriate message. In this drive 368 applications were secured for \$175,000.

Mr. Anderson also used a "father time" dividend drive on Feb. 29, getting a good deal of business. The Equitable Life agency department makes up an activity schedule for the year which is sent to all the general agents and managers. If the contest is planned ahead of time, it is put on this schedule. At times no notice is given and drives are planned on the spur of the moment.

A successful "G-man" campaign was explained by Benjamin Getzoff, agency supervisor Central Life of Illinois. Valentine day occurred during the campaign and a special valentine mailing piece was sent to agents' wives asking them to get prospects so their husbands could get prizes. The contest brought a 77 percent increase in paid business despite severe weather which hindered.

Dinner to Honor Maloney

PHILADELPHIA, June 4.—The home office folks and agency force of the Philadelphia Life will honor President Clifton Maloney on his birthday with a dinner here June 8. The dinner replaces the regular monthly Plico Club luncheon. Mr. Maloney's birthday is on June 7. June is president's month and the price of admission to the dinner will be one application paid for by June 8.

Specialized Policies Appeal to Current Buying Temper

WILL HELP BUILD PRODUCTION

Methods of J. P. Fordyce, Vice-president and Agency Director of the Manhattan Life

NEW YORK, June 4.—Consolidation and intensive cultivation of territory, with consequent boosts in production and cuts in acquisition cost, have characterized the work of J. P. Fordyce, recently appointed vice-president and director of agencies of the Manhattan Life. He joined the company in December, 1934.

Mr. Fordyce is a firm believer in the value of special policies in building a company's production, pointing out that in the early days one of the Manhattan Life's principal appeals was the fact that it was a stock company issuing participating insurance—an extremely rare situation in those times.

Specialized Contracts Appeal

The same appeals which once attracted buyers may in time become outmoded, but he holds that this should not—as it often does—blind agency men to the fundamental principle of pushing specialized contracts which appeal to the public's current buying temper. In this connection, the Manhattan Life has some interesting plans under way which will be embodied in its forthcoming rate book.

Mr. Fordyce's career of 25 years in the life insurance business has been largely marked by aggressive agency development. After a short time as a home office clerk, starting in 1911 at the age of 18, he got out into the field, and has served successively as agent, home

Issue Has Arisen as to the U. S. Veterans Bonds

In a recent issue, W. E. Talbot, vice-president and agency manager of the Southland Life of Dallas, took issue with President Buckner of the New York Life on the latter's advice to agents not to make an effort to induce veterans to cash United States government bonds (adjusted service certificates) for the purpose of taking out life insurance. Mr. Talbot presented his plan for use of such bonds in the purchase of life insurance which he thought would be to the benefit of the veterans.

B. E. Small of Boston, associate manager in the Moore & Summers general agency of the New England Mutual Life, feels that Mr. Talbot's presentation is inaccurate. He says:

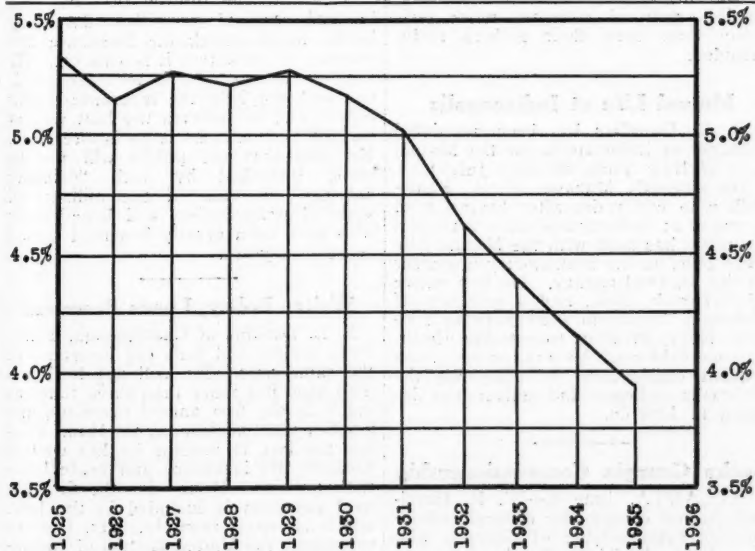
Small Gives Views

"Mr. Talbot has apparently assumed that adjusted compensation bonds will bear the same rate of interest as the savings bonds recently offered for sale by the U. S. government. This is not the case, as the veterans bonds are in \$50 units and will pay 3 percent simple interest, with no provision for accumulation. The savings bonds offer a guarantee of accumulation from \$1,500 to \$2,000 in 10 years, but with low values for earlier surrender. In an accurate comparison, the figures will be different, but a monetary advantage in favor of the endowment will still be shown, whether it runs for 10, 20, or 25 years."

office supervisor, general agent, director of agencies, and vice-president. For seven years he conducted his own general agency.

From 1915 to 1922 he was director of agencies New World Life and more recently was an executive of the Northern Life of Seattle.

Trend of Interest Earnings



Whether interest earnings will continue on the downward trend in 1936 is a problem that is of paramount importance at this time not only to the life insurance executive but also to the large body of policyholders. To the company official it means either a continuation of the gradual narrowing of the margin between the interest required to maintain reserves and that rate that may be earned. To the policyholder it means an increase in the cost of insurance either through reduced dividends or higher premiums.

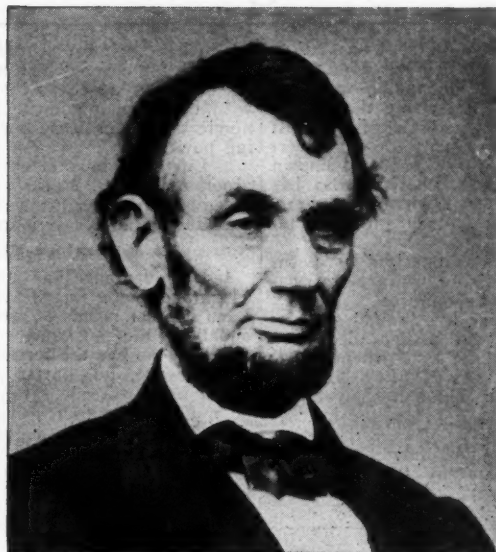
The accompanying graph is based on the average net interest earned on mean invested assets for the leading 50 companies. By the elimination of the non-invested assets including funds on deposit not at interest, a somewhat higher rate of interest is found than the rate

shown in the convention gain and loss exhibit.

Contrary to what might be expected, 1925 was the peak year and not 1929. In that year the average (company) net interest was 5.33 percent. From 1925 to 1929 it fluctuated around 5.25 percent, 1929 being 5.251 percent.

The first drop in the general decline appears in 1930, when earnings dropped to 5.204 percent. The following year a greater decline appears when the rate slid to 5.004 percent.

The greatest decline in the average appeared in 1932 when the average declined to 4.654 percent. The following two years the interest rate continued downward at a steady pace but in 1935 a slight slowing up of the process appears, the latest figure being 3.986 percent.



THE LINCOLN NATIONAL LIFE INSURANCE COMPANY PROVIDES ITS FIELDMEN WITH:

"THE SALARY CONTINUANCE PLAN"

The LNL Salary Continuance plan has taken hold. Its simplicity appeals to the agent and the prospect. It continues an income to the family if the breadwinner dies; continues an income to the breadwinner himself if he lives.

With this plan is a sales kit so simple, so definite and so understandable that it has an appeal to a wide class of prospects. LNL men have profited from this sales package.

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

FORT WAYNE, INDIANA

Surplus to protect policyowners Dec. 31, 1935—\$6,667,000

ITS NAME INDICATES ITS CHARACTER

Simon Gives Potent Answers to Inflation Bugaboo

NEW YORK, June 4.—Inflation, which is having another surge of popularity as an objection among wealthier prospects, gives the agent the opportunity to bring out some of his best ammunition, according to Leon Gilbert Simon of New York City, well known business insurance authority, who has been in demand as a speaker on prospects of inflation as they affect life insurance selling.

Mr. Simon has summarized the peculiar advantages of life insurance in relation to inflation as follows:

1. Life insurance is a "sound speculation," that is it can be depended upon to appreciate at the time when it will be needed most. Even after being in force 10 years it will still show better than 300 percent appreciation in case of death.

2. It assumes not only the needed number of dollars but the right kind of dollars. They are the right kind in two senses, first, because they come

when they are most needed and second, because if the policy matures at a time when dollars are cheap they can be left with the company until changing economic conditions bring them peak buying power.

3. Life insurance constitutes a loss-proof investment. Stocks and bonds are not guaranteed against shrinking values but life insurance values are guaranteed.

Forced Savings Feature

4. Life insurance has a psychological advantage in the forced savings feature. Even if other means of investment were equal to life insurance on all other counts, none has the forced savings element, hence, no matter how good it might be in the abstract, it would not be much practical help because hit-or-miss habits of investment would prevent accumulation of a substantial fund.

5. Life insurance has no reinvestment hazard. Funds can be left with the company and are not subject to fallible in-

vestment judgment of the beneficiary or executor. Many men have made large sums of money on their investments only to lose when it came to reinvesting.

Place in National Economy

6. Life insurance has too important a place in national economy for any administration to do anything which would seriously interfere with its protective function. In this capacity life insurance is taking a tremendous load off the state—a load which would fall back on the state if the life companies were rendered unable to carry it.

7. Life insurance has a powerful ally in nature. New generations are arising each year as an automatic supply of customers, with the result that companies have a plentiful influx of cash even at times when without these new customers it might be necessary to liquidate investments at a loss.

Stretchability Feature

Mr. Simon has found the term "stretchability" as a description of the peculiar advantage of the life insurance dollar to be a most effective one in conveying that concept to the prospect who is bothered about inflation. This avoids his getting confused by any thought of a dollar with a changing gold content.

However, despite the soundness of life insurance as a bulwark against inflation, Mr. Simon is strongly of the opinion that this country is not headed for inflation of the type that most prospects have in mind when they use it—sincerely or merely as an alibi for not buying insurance—when they are talking to an agent.

Both France and Germany following the war were in very different situations from anything now facing the United States, and no political party would dare to bring this country into such a situation, Mr. Simon holds. It would take vastly more radical change in this country's government than the superseding of one party by another to bring about any real danger from inflation, he believes, saying that fears about what either major political party will do are largely the result of taking partisan political speeches more seriously than even their makers really intended.

Mutual Life at Indianapolis

G. R. Douglass has been appointed manager at Indianapolis for the Mutual Life of New York, effective July 1.

He succeeds Manager G. A. Ramsdell, who will retire after having been manager at Indianapolis since 1914. Mr. Douglass has been with the Mutual Life since 1928, having been agency organizer in the St. Paul agency. He is a native of Tekamah, Neb., and a graduate of Nebraska Wesleyan University at Lincoln, Neb. Previous to entering life insurance field work he was for two years student employment secretary for the Nebraska colleges and universities located in Lincoln.

Seeks Georgia Commissionership

ATLANTA, June 4.—W. B. Harrison, former comptroller general and insurance commissioner of Georgia, who was deprived of his office by Governor Talmadge several months ago for his refusal to turn over taxes collected by his departments to the state treasurer, without legislative authority, has made formal announcement of his intention to run for the office he formerly held. No other candidate, so far, has made any announcement.

Research School in Del Monte

About 40 students are registered at the school in agency management being conducted by the Sales Research Bureau at Del Monte, Cal., June 1-12. Those from the bureau staff in charge are J. Harry Wood, L. W. S. Chapman and J. H. Jamison.

The final school to be held this year will be at the Edgewater Beach hotel in Chicago, July 20-31.

See Possible Basis for Justifying Travelers' Plan

If the controversy between Insurance Director Palmer of Illinois and the Travelers and Aetna Life gets into the courts, some observers believe that those companies may seek to justify their right to handle workmen's compensation and life insurance in the same company through paragraph 6 of the Illinois act of 1919, relating to the business of life, accident and health insurance.

The attorney-general of Illinois recently handed down an opinion that a life insurance company under the statutes of Illinois may not underwrite risks other than those of life and accident and health. That opinion affected exclusively the Travelers and Aetna Life. Mr. Palmer has made public no ruling on the subject, but he did state that he would take the necessary steps to give effect to the attorney-general's opinion.

The paragraph in the act of 1919 reads as follows:

"Any life or casualty insurance corporation, except as hereinafter stated, organized under the laws of any other state or country, may be authorized to transact in this state the business of accident and health insurance, or either of them, and in addition thereto, the business of life insurance, if so authorized by its charter."

It is to be noted that reference is made to any "life or casualty insurance corporation." Some observers say that the attorneys for the Travelers might contend that the Travelers is basically a casualty corporation. Accordingly, the argument might be made that the paragraph could be construed to mean that a casualty corporation is permitted to transact the business of life insurance.

Calamity Howlers Unlikely to Stir Public, Bowen Says

Superintendent Bowen of Ohio said he had received pamphlets describing books which attack life insurance and propose to show that it is a racket. He suspects the purpose is to make royalties and not help the insurance-buying public, and he believes the best way to combat such attacks is to ignore them. He said that the public will not be easily disturbed by such "calamity howlers," in view of the millions of satisfied policyholders and beneficiaries who have been greatly benefited during depression years.

Writes Policy, Loans Premium

S. L. Deakins of Chattanooga, Tenn., lends money and sells life insurance at the same time. He will not lend less than \$100 nor more than three times as much as the first annual premium, and a policy must accompany the loan. During the last 15 months he has written \$365,000 life insurance and made loans with policies. Money for the first annual premium is included in the loan, which is repaid monthly. Mr. Deakins represents the United Mutual of Indianapolis. He was at one time an agent for the Massachusetts Mutual and later an officer in a Morris plan bank for 15 years.

S. C. Federation Meeting

H. E. Coleman, district manager of the Mutual Benefit Life, was elected president of the Insurance Federation of South Carolina at the annual meeting in Columbia. He succeeds J. E. McDavid, also of Columbia. The new vice-presidents are B. T. Leppard, Greenville; A. M. Lumpkin, Columbia; Joseph Stuckey, Bishopville, and William Goldsmith of Greenville. J. D. Ambrose of Columbia is secretary.

J. T. Hutchinson, secretary of the Insurance Federation of America, was the principal speaker.

FINE FACTS TERSELY TOLD

AGE—SIZE

Chartered in 1905, the Midland Mutual is older than any one of 80% of all United States life companies and has more assets and more ordinary insurance in force than any one of 86%.

CONTRACTS

Every policy participates in earnings. Reserve, without surrender charge, available in cash or loan beginning at end of 2nd year, except on Modified Whole Life, third year. Change to higher premium forms after 5 years may be made by paying difference in reserves only, not difference in premiums with 6% compound interest, usually charged.

SERVICE

Free health examinations. All modern forms of policies to fit every life insurance need.

MORTALITY

The Midland Mutual has always experienced an unusually low mortality, averaging 40% of the expected over the past thirty years.

DIVIDENDS

Dividends are paid at the end of the 1st year, on annual premiums, during disability and on paid-up policy additions. Since organization more dollars have been paid to policyholders in dividends than the total paid to beneficiaries in death claims.

COMPARATIVE FIGURES 1935

Ninety-four per cent of all legal reserve life insurance in United States companies is held by 67 companies, each having more than \$100,000,000 of ordinary insurance in force. The Midland Mutual is in this group with which the following comparison is made:

	Average 67 Companies	Midland Mutual
Surplus per \$1,000 insurance in force December 31, 1935..	\$15.35	\$19.44
Gain in ordinary insurance in force, 1935.....	.73%	1.76%
Actual to expected mortality, 1935.....	57.38%	34.30%
Ratio of net gain from mortality, interest and loading to premium income, 1935.....	15.42%	16.58%

GROWTH

End of Year	Admitted Assets	Policyholders Surplus	Life Insurance In Force
1907	\$187,372	\$173,492	\$1,546,950
1921	5,821,498	418,226	47,029,354
1936 (April)	24,302,602	2,032,813	103,770,750

Write the Agency Department for "A Story of Progress"
THE MIDLAND MUTUAL LIFE INSURANCE COMPANY
Columbus, Ohio

Actuaries Debate Ending Set Interest on Deposits

FLEXIBLE PLAN IS BETTER

Optional Settlements Guaranteed in Past a Problem, New York Session Finds

Tendency of actuaries to seek partial relief from the low interest effects by considering a proposal to eliminate the guaranteed interest on money left on deposit, leaving the rate open, to be decided each year by companies' directors, was a significant note in the New York mid-year meeting of the Actuarial Society of America.

This feeling arose in discussion of interest trend. The actuaries feel the interest rate will remain low for some time. It was commented, however, that even the best economists seem to know little about what to expect.

Guarantee More Than Yield

Settlement options under life policies are a problem because of low investment yield. The companies, it was said, promised considerably more in the way of return under these options than the money will earn now. The extra costs of meeting these payments have to come out of current expenses, and, it was felt, could not well be reserved. There were a number of actuaries who felt interest on options should be a flexible arrangement that could be suited to the times.

Some actuaries expressed belief that the companies should throw over the profit on bonds sold purchase price to capitalize the lower interest rates of the future.

There was a discussion of annuities and annuitants. Some companies are checking payments carefully. One sends the first annuity payment to the agent, who secures a signed card from the annuitant which is placed in permanent file against which to check the signature. Companies are painstakingly careful about securing evidence of date of birth.

Family Income Discussion

Another discussion revolved around family income and family maintenance forms. Some companies are writing about 15 percent of their business on these forms. The mortality is very favorable. An actuary commented that his company's mortality under these policies was 51 percent of expected under the American Men table as compared to 72 percent on all its business.

Social security legislation was the main topic. There was some feeling that urban population should receive larger payments under the social security acts than rural to even up the disparity in purchasing power. It was also felt that if the "current cost" method instead of reserve plan were employed, it might be well to build up a moderate reserve to cover payments made while the plan was getting into operation and tax payments perhaps were slow in being received.

Thompson Named at Peoria

Charles E. Thompson, head of the Thompson Insurance Service Agency of Peoria, Ill., has been appointed general agent there of the Massachusetts Indemnity. He will work under the supervision of the Chicago branch office of which W. W. Pierce is manager, and will handle all territory in Illinois outside of Cook county.

Mr. Thompson has been in the insurance business for 21 years, having established his present agency in 1915. He is secretary of the Peoria Life Underwriters Association, which position he has held for many years. At one time he was general agent of the Connecticut General.

Settlement Options Slide Rule. \$1.50. Diamond Life Bulletins, 420 E. 4th St., Cincinnati.

State Mutual Men Put Budget System to Effective Use

Those general agents of the State Mutual Life who put into operation the first of this year the program for agency supervision and stimulation which was worked out by the general agents association of the company last year, are enthusiastic due to the improvement that it has brought in the morale of the field force and in actual production results.

The basis of the plan is an adaptation of the budget idea. That is the agent sets down his monthly financial requirements and against that he measures the average commission value per \$1,000 of insurance, as demonstrated by past experience, to determine what his monthly production must be.

Many Agents Eliminated

Some of those general agents, who instituted the plan, started by canceling the contracts of agents whom they felt were unable to make a living from the business. These general agents felt that in order for the plan to be successful, everyone in the agency should be able to make the grade. They wanted to eliminate the men who were not salesmen constitutionally and the sluggards.

The budget sheet includes about 25 items under the general headings, "Normal Operating Expense," "Recreation and Advancement," and "Thrill."

Then the agent sets down his total paid business in 1935, total paid lives, average size case, first year commission on 1935 paid for business, average first year commission per \$1,000 of paid business in 1935, average commission per policy, the amount of monthly new commissions he will need to meet his budget requirements, the monthly objective in lives insured and the monthly objective in volume.

Make Good the Difference

Some of the general agents promise that if any of the staff produce their volume quota in any month, but the commission thereon is less than the monthly income needed by the agent, and so stated in his budget sheet, then the general agent will make good the difference.

In all these calculations, income from renewals is disregarded. The agent is told to disregard that income entirely and not to count on it for his living expenses.

Then there is what is called a chartograph in which the projected activity of the agent for the coming month is set down and a record of actual activity entered. There is a perforated sheet that must be turned in to the general agent each day.

The agents are told that their assets for the coming months consist of the people that they are going to see. Therefore, the agent is required to list the prospects that he intends to see in a given month and the amount of insurance he intends to sell to each. The agent is told that he should have at least 75 prospects at the beginning of a month. Some of the general agents remarked on the fact that many of the veteran producers are unable to set down as many prospects as that.

Coordinated with this program is an unusual direct mail scheme. The company each month publishes a four page pamphlet known as the "Thread of Life." It contains very little life insurance propaganda, but is a factual publication, giving interesting information on various subjects. There has been material about taxes, there was an exhibit giving the gold content of coins of various countries, an exhibit of the yield of British consols for many years back, etc.

The agent who signs up for the general program of activity is required to submit a list of 500 people to be placed on the mailing list of the "Thread of Life." He need not be acquainted with

these people or know anything about them. Then the publication is sent to these people although the agent himself is not permitted to call on any one on the list until he has received the "Thread of Life" for four months. After a man has received four issues, he is called upon by the agent, whose picture has appeared on the front page of the "Thread of Life." The agent inquires whether the man has been reading the "Thread of Life" and asks whether he would like to continue to receive it. The agent states that he does not want to have the publication sent out unless it is being read. Because of the excellence of the publication and the factual information that it contains, the agent is usually safe in asking whether the man would like to continue to receive it. In that interview, the agent must make every effort to come away with the information as to the birthday of the man and solicitation is reserved for the time of age change.

The idea of having 500 people receive

the "Thread of Life" was to give the agent 10 people a week on whom to call for 50 weeks.

Among the general agents who have put the plan into effect and are highly enthusiastic about it is J. C. Caperton of Chicago. The production of his agency for the year is about 70 percent ahead of last year, despite the fact that at the beginning of the year, when the plan was introduced, he canceled the contracts of seven or eight men, whom he felt did not have a future in the business.

Ten Years for Nollen

Completion of 10 years as president of the Bankers Life of Des Moines will mean for G. S. Nollen a special event in that the company has decided to make the usual president's month sales campaign one of extraordinary effort in production. The name of the campaign in June will be "Tenth Anniversary Month."



Sell the Key Man And You Sell the Rest

Salary Savings doesn't cost the key man a cent and he may get something out of it. So why shouldn't he be all for it? Usually he is.

He knows that office people nearly all need insurance. He knows the best of them will like the idea and give him some credit for the convenience of it.

Office people are used to depending on Management's opinion. Like everyone else, they want life insurance more than ever before. They can't get round much during the day and aren't exposed to salesmen.

There's the situation.

Some day this field will be all closed up.

**Connecticut General
Life Insurance Company**
Hartford, Conn.

EDITORIAL COMMENT

Rate Book Men Lose a Friend

LAST week when the spark of life flickered out of FRANK H. DAVIS, agency vice-president of the PENN MUTUAL LIFE, the rate book men of the country lost a great friend. The PENN MUTUAL salesmen are primarily affected but Mr. DAVIS was interested in field men as a whole. He was the chairman of the committee of agency men that is endeavoring to raise the standards and eliminate part timers in the larger places.

Mr. DAVIS formerly carried a rate book. He had been through various positions such as agency director, agency supervisor, general agent, agency manager, company executive, so that he had a very thorough insight into the duties of a field general. Mr. DAVIS furthermore was well acquainted with life insurance contracts and their application. His knowledge of the business was thorough. Yet he went beyond this in that he fused his knowledge and intelligence with sympathy for and understanding of the work of the rate book men.

Mr. DAVIS' concern with the workers on the firing line was profound and sincere. Times and conditions had radically changed since he solicited insurance but he kept abreast with the procession and at all times acquainted himself with the peculiar and current obstacles and issues. He knew what confronted the men carrying the rate book. It was Mr. DAVIS' devout ambition to see something accomplished that would give the salesman a clearer and cleaner road, enable him to be a greater factor and to possess more of substance that would add to his living satisfaction.

Mr. DAVIS possessed an almost uncanny intuition in recognizing human traits and knowing how to deal with any sort of combination of characteristics. Often we wondered whether FRANK DAVIS did not take too much to heart the failings of men in his own organization when he felt they were not reaching the goal he had set. He was with them in all their endeavors and when they could not make the grade he was grieved.

In many respects Mr. DAVIS made the ideal field general. When he stepped on the platform or came into your presence one

realized that his personality was infectious. He never took himself too seriously and in all the manifold experiences in dealing with his men he found amusement and saw the humorous angles.

He had the happy faculty of creating in the minds of those with whom he came in contact, regardless of how far back an acquaintanceship may have been, the fact that he was a particular friend. And he meant it. He had a passion and affection for people. There was nothing affected or stilted in what he did. Since his death hundreds of people who had come within his radius have told of some particular incident or pointed to a special episode that convinced them that FRANK DAVIS had them in mind. He delighted to manifest his friendship for people and he did it in many ways.

Mr. DAVIS' massiveness in build and stature, his broad vision, the wide spread of his affection can be traced back to his ancestral country in Mills county, Iowa, where there was ample space in which to grow. There was a rich vein of sentiment and emotion in Mr. DAVIS' nature. He was a distinct product of the central west. He came from a fertile soil, a plain and simple people. He never forgot it. He owed much to the influences of the region from which he sprung. Therefore it was immensely fitting that the last sad rites be held in the little country cemetery, near Malvern, Ia., a village of 750 people, where he was born and raised as a youth.

It was a beautiful day when a delegation of his close friends and associates gathered about his grave as he was tenderly laid away. The skies were spacious, the acres were extensive, there was a long and rolling landscape and the horizon was far away. It was the most glorious time of the year. All nature was aglow with new life. The air was balmy, there was a soft glow from the sun, there was a fragrance in the air, there was warmth. The verdure was its greenest, flowers were budding into their magnificent efflorescence. Could any environment have been more symbolic in FRANK DAVIS' life and work than this?

Effect of Examinations

LIFE insurance people in general will watch with extreme interest the operation of the new agency license laws in Illinois and Ohio which go into effect July 1, requiring a written examination for licensing life agents. Furthermore, Commissioner McLAIN of Indiana announces that on that day he will require a new application form to be filed and agents now licensed must complete the new application and

file it with the department. The agents now licensed will be required to take an examination within six months.

While the agents have been in favor of greater restrictions and higher standards as to licenses, some of the companies have objected to examinations because they feared that those writing insurance in the smaller places and who could not devote all their time to the

work with advantage would not be able to qualify.

The states through the examination plan hope to eliminate the incompetent and those that seek licenses for ulterior motives, chiefly to write their relatives or a few people connected with their enterprises. If the examination plan will remove at once what might be termed "impossible agents," who have not enough ambition to qualify for an examination it will clear the field of a number of unfit.

In Ohio where examinations have

been carried on for fire and casualty licenses it has been found that out of the number notifying the department that they wanted to take the examination, only about half materialized. Those that did not take it evidently felt that the time given to studying for the examination would be lost because they were not intending to be seriously in the business.

The legitimate life insurance agents have felt resentful toward snipers and one case people who never intended to be truly life insurance salesmen.

PERSONAL SIDE OF BUSINESS

The American Conservation Company, 307 North Michigan avenue, Chicago, announces that it has in preparation the "History of Life Insurance in Its Formative Years," which will be issued about Dec. 1. It will furnish authentic historical facts and will give an illustration of the early policies, scenes where life insurance history was in the making, portraits of outstanding personalities who contributed to the advancement of life insurance as a social science.

B. F. Mitchell, San Francisco general agent General American Life, is suffering from a broken right arm received while cranking the motor on his cruiser. Rather than remain home Mr. Mitchell is "on the job" with his arm in a cast.

James H. Daggett, newly elected executive vice-president of the Old Line Life of America, who has resigned from the Marshall & Ilsley Bank of Milwaukee to assume his new duties July 1, was guest of honor at a dinner at which President John E. Reilly introduced Mr. Daggett to officers and department heads.

Charles M. Keefer, 78, Nebraska state agent of the Kansas State Life for several years in the '20s, but who has been retired for some years because of failing health, died at his home in Lincoln. He was president of the Lincoln Life Underwriters Association in 1923.

A dinner marking the retirement of Robert Henderson as vice-president and actuary of the Equitable Life of New York was tendered to him by President T. I. Parkinson. About 35 of Mr. Henderson's associates in the Equitable were present.

President Parkinson referred to the prominent place held by Mr. Henderson for many years in the life insurance world and paid high tribute to his professional attainments. He stated that Mr. Henderson had rendered invaluable service to the Equitable throughout his long association with it, and that it was keenly regretted that he now was voluntarily retiring from its service.

Born in Canada, Mr. Henderson was graduated from the University of Toronto in 1891. In 1892 he entered the Canadian insurance department, and five years later came to New York and began his service with the Equitable. He was appointed assistant actuary in

1903, actuary in 1911, second vice-president and actuary in 1920, and vice-president and actuary in 1929. He became a fellow of the Institute of Actuaries of Great Britain in 1896 and of the Actuarial Society of America in 1902, serving as president of the latter during the years 1922-1923. He has written a number of scientific papers and books. Mr. Henderson also is a fellow of the Casualty Actuarial Society.

James L. Collins, superintendent of agencies southern division California-Western States Life, with headquarters at Dallas, stopped in Los Angeles, his old home town, for a day on his return to Texas after attending the wedding of his daughter, Louise Jane Collins, to A. H. Rolapp of Beverly Hills.

W. H. Meyer, district manager of the Equitable of New York at La Crosse, Wis., since 1932, died this week. W. M. Ratharmel of Chicago, superintendent of agencies, central department, attended the funeral, representing the home office.

Leopold Szego of Cleveland, an agent of the Ohio State Life, has just completed 400 weeks of continuous production.

The 21-month-old granddaughter of Manager H. A. Austin of the Prudential's ordinary department in Kansas City, died after becoming entangled in the neckpiece of a sleeping bag at the Austin home. Efforts by the mother, Justine Austin O'Malley to resuscitate her failed. The father is Lieutenant O'Malley of Ft. Des Moines.

S. E. Stillwell, who on May 29 celebrated his 77th birthday and completed 19 years of service as actuary of the Western & Southern Life, is retiring from office, he having held the title of vice-president and actuary. Mr. Stillwell for four years taught mathematics and astronomy at Allegheny College. He joined the actuarial department of the Penn Mutual Life, serving for six years. From 1894 to 1900 Mr. Stillwell took up the rate book for the John Hancock Mutual in Cleveland. When A. I. Vorys became Ohio insurance superintendent in 1900 he appointed Mr. Stillwell as the first actuary of the department. He was a member of the committee on blanks of the National Convention of Insurance Commissioners and was instrumental in developing uniform methods of accounting and report-



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ing of life company statements. In 1917 he became actuary of the Western & Southern. Mr. Stillwell had two objectives in his work with the Western & Southern, one was the establishment of standard industrial reserves as the valuation basis for its industrial business. The other was the organization and development of a large and modern ordinary department.

Percy V. Baldwin, assistant secretary of the Travelers, died Saturday morning at his home in Hartford. Well known in the insurance business as an authority on life insurance contracts, Mr. Baldwin had been a member of the Travelers organization more than 30 years. He began his insurance career as an agent under his father, a manager for the New York Life. Subsequently he was a general agent for the Equitable Life in the Hudson river counties, with headquarters in New York City. In 1897 he was appointed manager in Massachusetts and Rhode Island for another company, with headquarters in Boston. Here he was president of the Boston Life Underwriter's Association and chairman of the executive committee of the National Association of Life Underwriters.

In 1905, he joined the Travelers as manager at Boston. He retained that position until April 1, 1917, when he was called to the home office. Five years later he was elected assistant secretary. He was instrumental in adding many new features to Travelers policy contracts.

Mr. Baldwin was born Sept. 19, 1870. A brother, Lathrop Baldwin of New York City, is general agent of the New England Mutual Life. Funeral services were held Monday afternoon at the Emmanuel Congregational Church, Hartford.

Frank J. Cunningham, assistant actuary, and **C. H. Heyl**, assistant superintendent of agents at the head office of the Sun Life, have been visiting the local offices in Cleveland, Indianapolis and Chicago and addressing agency meetings there.

J. N. Fletcher, San Antonio agency supervisor Great Southern Life, in southwest Texas, has been elected president of the San Antonio junior chamber of commerce.

H. W. Hobbs of the actuarial department of the New England Mutual Life, connected with the company for 43 years, died at his home in Malden, Mass., last week at the age of 75.

The Pittsburgh agency of the Ohio State Life put on a special one-day campaign in honor of **Dr. C. E. Schilling**, vice-president and medical director, writing the largest day's business in the agency's history. At a luncheon in Pittsburgh, Dr. Schilling was presented a fountain pen and Mrs. Schilling a bouquet. Members of the Pittsburgh agency and their wives attended.

Thursday was "Jack Hughes Day" at the Omaha Field Club. Jack Hughes is **J. W. Hughes**, president of the Guarantee Mutual Life. He was honored by members of the golf club and the board of governors of the Ak-Sar-Ben to which he was recently elected. The various reasons for feting Mr. Hughes included his recent election to presidency of Guarantee Mutual; his long service in behalf of the golf club and the links on which he has been famous throughout the west for his championship calibre of golf, and finally because of his new role in the important Nebraska promotional organization, Ak-Sar-Ben.

U. L. Wambaugh, Union Central agent at Angola, Ind., will observe the 50th anniversary of the signing of his contract June 7. He is 78. He was born in Delaware county, Ohio. He took up teaching after his graduation

from college but after experience with a number of schools, decided to take up law. He was about to enter the legal profession in 1886 when he moved to Angola, Ind., where he signed his contract. Mr. Wambaugh has served his company under six presidents, the first being Dr. John Davis.

William Terrill, who for 21 years has been an agent with the New York Life in Chicago, died. He was well known in life insurance circles in that city, was a senior Nylic and maintained a record of an app a week for over 20 years.

Miss **Helen Beall Houston**, daughter of President **D. F. Houston** of the Mutual Life of New York and Mrs. Houston, and Robert Caldwell Patton, of the Davis (New York City) agency of the

Travelers, were married May 30 at Cold Spring Harbor, Long Island.

F. W. Hubbell, Jr., son of **F. W. Hubbell**, treasurer of the Equitable Life of Iowa, died in Massachusetts General hospital, Boston, May 29 at the age of 15. He was a student in St. Mark's school in Southboro, Mass., and had been ill a week with infantile paralysis.

In collecting historical facts of Arkansas history for the past 100 years as a feature of the Centennial celebration, the first insurance advertisement in the Arkansas "Gazette" in 1846 was uncovered. Dr. R. L. Dodge, by whom the advertisement was inserted, announced the opening of a Little Rock branch of the **Old Nautilus Life** of New York City.

NEWS OF THE COMPANIES

Permanent Receiver Named

W. R. Baker Is Appointed to Take Charge of the Federal Reserve of Kansas City, Kan.

KANSAS CITY, KAN., June 4.—**W. R. Baker** is appointed permanent receiver for the Federal Reserve Life. **J. S. Koehler** is attorney for the receiver. Of approximately \$33,000,000 of business in force on May 21, this year, \$20,915,000 was ordinary; \$6,955,000 was endowment, and \$4,237,000 was term.

Assets of the Company

The company owned \$619,351 (book value) of real estate with unpaid taxes of \$7,734. Bonds had a book value of \$905,932, an amortized value of \$871,705. On this, \$13,942 of interest was due; \$10,688 of interest had accrued, and \$6,865 in interest was past due. On \$4,458,332 of mortgages there was \$502,694 interest due and \$226,075 due in taxes. Of this amount \$2,777,152 was on mortgages other than farm and trusted. This carried \$278,986 in past due interest and \$155,177 in past due taxes. Farm mortgages totaled \$1,199,150, on which there was \$167,952 in past due interest, and \$33,062 in past due taxes.

Classification of Insurance

Of insurance in force, approximately \$6,000,000 was on the participating plan, around \$27,000,000 on the non-participating plan. Participating premiums in 1935 were \$240,198, with an average loading of 25 percent; non-participating premiums, \$701,490, with a loading of 8 percent. The loading on the total \$941,688 in premiums was 12 percent for the year. Of this business in force on Dec. 31, 1935, \$15,055,949 was Federal Reserve business; \$16,203,575, Farmers National; \$1,159,338, Providers Life; \$1,054,741, U. S. Reserve, and \$201,136, Union National.

Mortality has been under 50 percent, and was 40 in 1935. Heavier in 1936, mortality is at present under 60 percent. Farmers National business has averaged about 55 percent mortality, but in 1936 has been about 83 percent.

The directors adopted a motion giving consent to appointment of a permanent receiver. All directors were present, they being: **J. H. Brady**, **Alex C. Green**, **C. J. Schultz**, former president, **J. H. Sandell**, former secretary and **H. W. Jordan**, former vice-president.

President T. F. Lawrence Writes About Company Plan

President **T. F. Lawrence** of the newly organized Life Insurance Company of Detroit, which took over the Detroit Life business, has addressed a letter to the members of the life underwriters association in his city giving some facts as to the new company. A lien was imposed against the reserves

of Detroit Life policyholders but the contract provides that the new company will not deduct the principal of the liens from any death claims occurring prior to Dec. 31, 1945. Under the contract new policies in the new company are being offered without liens, proper adjustment being made. Each policyholder making such exchange receives a certificate of participation evidencing his interest in the Detroit Life fund,

which interest is used to procure an immediate temporary annuity to reduce premiums on the new policy. However, there is no obligation on part of old policyholders to accept the new policies. President Lawrence states it will be some time before the new company will be actively in the field for new business. He says, however, that it expects shortly to enter a field in which the management believes there is an opportunity for service to the public and the insurance fraternity.

Stockholders Approve Deal

Plan of Postal Union Life Calls for Reinsuring Great Republic Policies

With the vote of the trustee stock challenged on every issue, stockholders of the Great Republic Life at a meeting May 27 approved acceptance of the reinsurance plan submitted by the Postal Union Life of California. Vote of trustee stock which provided the majority to settle each of the issues was challenged on the grounds the trustees had never agreed in majority on how the stock should be voted. Trustees protesting acceptance of the trustee stock vote threatened court action to determine legality of the meeting.

The Great Republic is in the hands of a conservator and much praise is given to Commissioner Carpenter for his

Central Life Salutes FAMOUS MEN OF ACTION

Tenacity of purpose and careful planning were outstanding qualities in the leadership of U. S. Grant, hero of the Civil War and 18th president of the United States.

CHILD'S INSURANCE

Central Life "Men of Action" emphasized insurance on children for the month of production, beginning May 15. Specific Home Office help included:

1. A doubly efficient Child's Insurance prospecting and presentation folder.
2. Sales presentations covering all Children's Insurance needs.
3. Five popular Children's Insurance plans, including Child's Endowment at 60— all participating.

CENTRAL LIFE

ASSURANCE SOCIETY

«Mutual»

Des Moines, Iowa

work in cleaning up the company's affairs.

A second meeting scheduled to elect directors was recessed to June 10, the action being protested. A rump meeting held later by the protesting group to elect a board also was postponed to June 3.

Details of Proposal

The Postal plan provides for reinsurance of Great Republic policies with complete novation, payment of all obligations and accrued losses, the Postal to take over all assets, real and personal, and all bills receivable. The Great Republic would be dissolved and its charter forfeited.

The Postal would pay \$185,410 cash to be adjusted by the commissioner for charges effected since Dec. 31, 1935. In addition \$15,000 would be paid for non-admitted assets.

Great Republic stockholders would be given option to accept a share of present Postal for 72.44 shares of their stock, subject to final adjustments, or an option to accept cash to be paid out of operating profits at the rate of \$30,000 a year. The Postal would add \$105,000 to its assets and decrease par value of its stock from \$10 to \$1. The plan is subject to court approval.

Kentucky Home Files a Suit

Seeks to Intervene in Connection with the Affairs of the Missouri State Trusteeship

ST. LOUIS, June 4.—As has been anticipated the Kentucky Home Mutual Life has filed a petition with Circuit Judge Joynt seeking to intervene in the suit filed in September, 1933, through which Superintendent O'Malley, with the approval of Judge Hamilton entered into an agreement with the General American Life to take over the management of the insurance and assets of the defunct Missouri State Life.

The Kentucky company, which owned

29½ percent of the stock of the Missouri State Life, and which heretofore has remained silent legally so far as the General American Life agreement was concerned, now seeks to have the General American Life removed as trustee of the Missouri State Life account. It also seeks to have set aside the arrangement for the trusteeship of control of the Southwestern Life, and it also attacks the recent sale of control of the General American Life by the Equity Corporation to the Southwestern Investors Corporation of Dallas, Tex. This opposition is based on the grounds that cash of the Southwestern Life was used to purchase control of the General American Life, which in turn has stock control of the Southwestern Life.

Bruce Bullion Is Receiver

National Standard Life Has Been Purchased and Owners Say It Will Be Refinanced

LITTLE ROCK, ARK., June 4.—The National Standard Life Monday was ordered into receivership by Chancellor Dodge on complaint of R. K. Haxton of Greenville, Miss., a stockholder, who alleged that the company is insolvent.

An answer was filed by M. P. Schleisinger, president, and H. A. Talmade, secretary-treasurer, admitting the allegations and submitting affairs of the company to jurisdiction of the court.

Bruce Bullion, former insurance commissioner was named.

The National Standard several years ago took over affairs of the Ancient Order of United Workmen of Arkansas and is owner of the National Standard building, formerly the A. O. U. W. building.

The complaint recites that the company has insurance in force, principally in Arkansas, totaling approximately \$2,500,000.

The plaintiff said that he and his associates, all of Greenville, Miss., recently

purchased a majority of the stock in the defendant company and that they are now endeavoring to refinance the company and place it on a better basis. A condensed statement shows assets and corresponding liabilities of \$667,621 as of Dec. 31. The National Standard is a Texas corporation.

Columbian National Celebrates

A. A. McFall, vice-president Columbian National Life has announced the opening of its 1936 anniversary campaign. It is celebrating its 34th birthday this June, and the campaign will run for 34 days, from June 1 to July 6. The campaign takes the form of a play in which all field men are the players. The play has 34 scenes. Each scene runs for one day and each day represents one year in the company's history.

To Celebrate 30th Year

RALEIGH, N. C., June 4.—The Occidental Life of this city will conduct a special drive for new business during June and July in celebration of its 30th anniversary. The company was chartered June 13, 1906, and since that time has enjoyed a steady and healthy growth. A two-day fishing trip will be awarded to those who make certain qualification requirements.

Ancillary Receiver Named

FORT SMITH, ARK., June 4.—Jess Price has been made ancillary receiver for the National Agency Association, National Benefit Association and American Union Life Association, in a suit filed by Trigg Moore of Nashville, receiver, under the Tennessee court decree.

The complaint charged that G. B. Combs, E. M. Reid and Albert Carlson had opened a Fort Smith office after the concerns they headed in Nashville had been placed in receivership. Chancellor Wofford ordered funds deposited in Fort Smith banks to the credit of Combs, Reid and Carlson impounded.

Receivership Suit Dismissed

SPRINGFIELD, MO., June 4.—The circuit court here has dismissed the receivership suit brought by Superintendent O'Malley and placed the faction headed by Kirk Hawkins in control

of the Missouri Mutual Life Association. Judge Kirby declared the group headed by Hawks had been elected directors at stormy balloting here several weeks ago.

Albert Heads Merged Department

N. W. Albert has been appointed head of the consolidated life and accident agency accounting departments of the Pacific Mutual Life, with the title of supervisor of agency accounts. He joined the company in January, 1906, in the agency accounting department, and has continued there except for 1913-1920, when he was office manager of the eastern railroad and monthly premium departments in Chicago.

Big Increase in Assets

There has been an increase of \$21,000,000 in the assets of the John Hancock Mutual Life in the past four months, Guy W. Cox, president, told more than 200 field representatives at a meeting in Buffalo, last week-end.

War on Uninsurance

The Ohio National Life is staging a three months' campaign May 1 through July 31 with the theme "War on Uninsurance." The entire field force of the company is divided into four major divisions, representing destroyer, submarine, battleship and aviation divisions. For the first ten days during the period, the destroyer division is leading all others by a large-paid-for volume.

Warning on Nurses Mutual

Commissioner Read has issued a warning to nurses in Oklahoma, against taking out insurance policies in the Nurses Mutual Protective of Jacksonville, Fla., which was denied admission to Oklahoma. A number of policies had been already sold in the state.

Pyramid in New Office

The Pyramid Life of Kansas City, Mo., has moved its head office to the Commerce building, 922 Walnut street.

L. H. Brown, President Johns-Manville Corporation, and R. T. Stevens, President J. P. Stevens & Co., have been elected trustees of the Mutual Life of New York.

Looking Forward

During the year 1935 the Company consolidated much of its territory—standardized its agency contracts—issued new policy forms and various sales aids—secured 28% more paid for business and at less cost.

Much always remains to be done. We want with us the type of men who enjoy creative work and the opportunity and satisfaction that goes with it—a fine old company with brand new opportunities for good men.

The Manhattan Life
INSURANCE COMPANY

Founded 1850

654 Madison Avenue at 60th Street

New York, N. Y.

LIFE AGENCY CHANGES

Arch Williams to Syracuse

Union Central Star Man in New York City Is Promoted to Head General Agency

J. Arch Williams, New York City, has been appointed manager of the Syracuse agency of the Union Central Life. He succeeds O. S. Osborne who has resigned.

Mr. Williams' promotion recognizes a successful career with the Charles B. Knight Agency of New York City. Without previous life insurance experience he entered that agency in 1927. He is a member of the \$500,000 Club.

Born in Tennessee, Mr. Williams was reared in Jonesboro. He was educated at Milligan College and at the University of Tennessee where he prepared for medicine. During summer holidays he gained his first sales experience by selling books from farm to farm in West Virginia. It must have been a pious state, for one summer he disposed of \$2,000 worth of Bibles.

Returning to the United States after the war, in June of 1919, Mr. Williams entered a bank in Johnson City, Tenn. In New York City later he was with the Fifth National Bank later merged with the Manufacturers Trust Company. He remained with that organization until 1927 when he signed his

first Union Central contract with the late C. B. Knight.

Watson Is Named General Agent; Jernigan Successor

J. R. Watson, assistant general agent Penn Mutual Life in Little Rock for the last four years, June 15 will become general agent for northern Louisiana territory with headquarters at Shreveport. Mr. Watson has been associated with General Agent Allan Gates of Little Rock since 1930, when he was appointed special agent at Helena. In 1931 he went to Little Rock as agency supervisor, and in 1932 became assistant general agent. He is the fourth assistant to Mr. Gates to be promoted to a major post with a life company in the last seven years.

F. P. Jernigan, who has been connected with the Gates agency for 18 months, will succeed Mr. Watson. Mr. Jernigan has been a special agent at Little Rock for five years. He will have complete charge of new organization, and other administrative and sales duties.

O'Neil Returns to London

J. H. O'Neil, prominent in San Francisco insurance circles, is returning to London, where he will be in charge of promotion work for the Sun Life of

ACTUARIES**CALIFORNIA**

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 114 Sansome Street 437 So. Hill Street
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 Telephone State 1213
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Specialty, Income Taxes of Insurance Companies
WILLIAM W. CHAMBREAU
 Consulting Actuary and Tax Consultant
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 Organization, Management, Tax Service
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ALEXANDER C. GOOD
 Consulting Actuary
 Central Missouri Trust Company Bldg.
 Jefferson City, Missouri

Frederic S. Withington
 Consulting Actuary
 3642 Central St.
 Kansas City, Mo.
 Telephone, Valentine 8068

NEW YORK

MILES M. DAWSON & SON
 CONSULTING ACTUARIES
 500 Fifth Avenue New York City

Established 1885 by David Parks Fackler
FACKLER and BREIBY
 Consulting Actuaries
 Edward B. Fackler William Breiby
 1 WEST 40TH STREET NEW YORK

PENNSYLVANIA

FRANK M. SPEAKMAN
 Consulting Actuary
 Associates
 Fred E. Swartz, C. P. A.
 E. P. Higgins
 THE BOURSE PHILADELPHIA

Canada. He has been with the San Francisco office of the Sun Life for several years, as well as engaging in a general brokerage business. He was at one time examiner for the San Francisco Insurance Brokers Exchange.

Goff with Aetna Life

A. J. Goff, formerly a local agent at Robinson, Ill., who sold his agency to Chapman Insurance Service, has been appointed agency supervisor of the Aetna Life's life, accident and health department for south central Illinois. He will have 15 counties. L. O. Schriver of Peoria is general agent.

Jensen Takes Far West Post

The Home Life of New York has appointed James O. Jensen general agent in San Francisco, 111 Sutter building. He is a native of California and graduated from Stanford University as an engineer in 1913. He has been a successful personal producer, writing from \$300,000 to \$750,000 annually.

In Philadelphia, his home for the past several years, he successfully managed the brokerage division of an agency, later engaging in supervisory and general agency work.

Neer with Capitol Life

Jacie Neer has been named general agent of the Capitol Life of Denver in Portland, Ore. He was branch manager of the New World Life for several years.

L. M. Fulmer has been named general agent for the Brighton, Col., territory, by the Capitol Life. He was formerly with the Reliance Life, in Denver two years.

Biscomb to Marquette

C. R. Biscomb of Sault Ste. Marie, Ont., has been appointed general agent of the Crown Life of Toronto for Marquette, Mich., and surrounding territory, with offices at 123 East Arch street.

Edwards District Supervisor

H. D. Edwards has been appointed district supervisor of the Pan-American Life at Fort Smith, Ark., for 14 counties in western Arkansas, with offices in the First National Bank building. He was for ten years a member of the Gordon

H. Campbell agency of the Aetna Life in Little Rock.

Yeomen Mutual Appointments

William Hemman, agent at Los Angeles for 16 years with the Yeomen Mutual Life of Des Moines, has been named general agent for that territory.

Clair Woland, a member of the Oakland, Cal., agency of the Yeomen Mutual Life for the past few months, has been appointed associate general agent there. He has an exceptional record of 184 weeks of consecutive weekly production. He will assist General Agent Clair DuBois.

W. R. Withers to Denver

DENVER, June 4.—W. R. Withers has been transferred from Detroit to Denver as branch secretary of the Sun Life. He has been with the Sun about eight years. At Detroit he was second man in the secretarial staff.

Mansfield General Agent

Ralph P. Smith has been appointed general agent of the Ohio State Life at Mansfield, O. He succeeds the late D. F. Shafer. He is a native of Ohio and was educated in the public schools of Fremont. During the past seven years he has been an agent of the State Mutual Life in Mansfield territory. His office is in the farmers Bank building, Mansfield.

Hankey Takes Clarksburg Post

The Ohio State Life has appointed D. Bruce Hankey general agent at Clarksburg, W. Va. He formerly was with the Jefferson Standard.

Joins B. M. A. in Madison

Genevieve Townsend, formerly personnel supervisor, public welfare department, Madison, Wis., has gone with the Business Men's Assurance agency in that city. Formerly she was research assistant to Prof. J. H. Commons at the University of Wisconsin and is author of "Consumer Loans in Wisconsin," a study of credit institutions making small loans for provident purposes.

Robert B. Acton has been named manager of the Chillicothe, O., district by the Acacia Mutual Life.

SALES MEETINGS**Business Men's Convention**

Meeting for Agents from Indiana, Illinois and Michigan Was Held in Indianapolis

A three-state meeting of the Business Men's Assurance, with about 75 men present from Indiana, Illinois and Michigan, was held in Indianapolis this week. Vice-presidents J. H. Torrence and J. C. Higdon, and R. E. Weaverling, field service representative, were present from the home office.

J. L. Rainey, president of the Indianapolis Association of Life Underwriters, delivered the address of welcome to which Mr. Weaverling responded. F. W. Moller, manager for Indiana, presided at that session and introduced C. E. Mitchell, manager for Illinois, and Mr. Higdon who spoke on "The Company and Its Service."

Topics at Business Sessions

Mr. Mitchell presided at the afternoon session Monday, the program of which included the following speakers and topics: Mr. Moller, "Effective Working Methods"; L. C. Shellabarger, supervisor, Vandalia, Ill., "The Policyholder"; Noel Iiams, supervisor Rockville, Ind., "Building Centers of Influence." Mr. Iiams is leader in production in Indiana; A. J. Berry, supervisor, Lincoln, Ill., "Building a Satisfactory Clientele";

C. W. Morrow, supervisor, Versailles, Ind., "Selling Incomes and Annuities"; Max Levitt, Detroit, "Keeping the Business Sold"; C. E. Lawler, supervisor, Ramsay, Ill., "Continuance Policies"; Mr. Torrence "House of Protection."

Mr. Moller presided at the Tuesday morning session, when the speakers and topics were as follows: Mr. Higdon, "Trip Through the Rate Manual"; Mr. Mitchell, "Trip Through the Sales Maker"; W. H. Gruver, supervisor, "Why I Chose B. M. A."; Mr. Weaverling, "B. M. A. Service in Action."

Mr. Mitchell presided at the Tuesday afternoon session, which opened with a round table discussion of the topics "Drill on Making Approaches" and "Drill on Answering Excuses." E. W. Welton, Kentucky manager, spoke on "B. M. A. Standards of Accomplishment" and the session closed with a statement as to "Opportunities of the B. M. A. Salesman."

Commissioner McClain Speaks

Mr. Higdon was toastmaster at the banquet and Commissioner McClain of Indiana the principal speaker.

In a way this convention celebrated the opening of handsome new quarters for the Indiana branch office in the Occidental building in Indianapolis. Because of the growing business more space was required and the new quarters give room for further expansion.

From Indianapolis, Mr. Higdon and Mr. Weaverling went to Columbus,

growing
every
month

Consistent month-after-month gains of insurance in force tell the story of Provident's march of progress.

During the first four months of 1936 Provident Life and Accident Insurance Company increased the total insurance in force by

\$6,413,053.00

- January Gain . . .
\$1,408,765
- February Gain . . .
\$1,412,217
- March Gain . . .
\$1,973,773
- April Gain . . .
\$1,618,298

"Consistent Gains" has become more than a mere watchword with Provident Producers—it's a "workword"!

PROVIDENT

LIFE AND ACCIDENT

INSURANCE COMPANY

CHATTANOOGA

protecting provident people since 1887

**LIFE • ACCIDENT
• HEALTH GROUP •**

Ohio, to conduct a similar meeting. President Grant and several associates will leave Kansas City the latter part of June for a western trip, and will hold sales conventions in several states.

Head at Des Moines Meeting

Walter W. Head of St. Louis, president of the General American Life was in Des Moines to address Iowa agents. He was accompanied by D. W. Hopkins, superintendent of agents. A. T. Lynner, general agent, Des Moines, was in charge of the conference.

Sales Schools Inaugurated

A. B. Olson, superintendent of agencies for Guarantee Mutual Life, and Paul Stewart, field supervisor, are at Cincinnati where they are conducting the second session of a school, recently innovated at the home office. Superin-

tendent Olson inaugurated classes for agents in April of two weeks duration. So successful was the venture pronounced that he decided to stage the schools in various zones thus permitting more local agents to attend without traversing great distances.

Lamar Life to Award Medals

Three Welty conservation medals will be awarded to all star agents of the Lamar Life at their annual agency convention in Dallas, Tex., July 31. These medals were first awarded aboard the S. S. "Cartago" en route to Havana in 1931, and are given for membership in the All Star Club, requiring a total of \$250,000 business in force, paid business of \$75,000 of the past contest year exposed to second year renewals, a satisfactory renewal ratio, and being in good standing. All Star Club officers will also be named at the convention.

stories in insurance. Annie Lou made an excellent reputation and gained a wide acquaintance among insurance men, especially in Illinois. "The American Insurance Digest" is published by George W. Wadsworth. John W. Petrie is editor.

LUSTGARTEN LEADERS' OUTING

Members of the leaders club of the Lustgarten agency, Equitable Life of New York at Chicago, held a golf tournament and outing at Itaska Country Club, June 4. A full day's program of entertainment had been arranged, with a buffet at noon and dinner in the evening.

PAN-AMERICAN LIFE OFFICE MOVES

The Chicago branch office of the Pan-American Life, under Manager L. W. Ginter June 6 will move to larger offices in 237-241, 111 West Washington street. The ordinary department, renewal department and mortgage loan department, all supervised by Mr. Ginter, also will occupy the quarters. This branch has been in the Insurance Exchange building for many years and will remain represented there through Henry S. Slipner & Co., recently appointed general agent. This agency

has organized a life department managed by J. R. Conkey, who is well known among insurance people in that city.

Mr. Ginter's agency has built up a production record with more than 25 percent increase to date over the same period last year, and has added a number of new men recently. He has been manager of the Chicago branch for five and a half years. He organized the "Dynamo Club" in his agency five years ago, each year producing sufficient personal business to make him a member. Before becoming manager he was loan correspondent of the company in Chicago.

CHICAGO ACTUARIES MEET

Plans for the annual golf outing of the Chicago Actuarial Club to be held in June were discussed at the monthly meeting. H. J. Hornberger, Great Northern Life, is chairman of the event. H. C. Reeder, Country Life, president of the club, presided. There was an interesting review of plans of organization and programs of various actuarial clubs of the United States and Canada presented by G. W. Meyers of the Federal Life. R. I. Booth, Travelers, gave highlights of the New York meeting of the Actuarial Society of America.

AS SEEN FROM NEW YORK

By R. B. MITCHELL

JOINS PATTERSON AGENCY

Walter K. Vickers, who recently resigned as production manager of the Freid agency (New York City) of the New England Mutual Life, has joined the Patterson agency of the Massachusetts Mutual Life, where he will promote business on a new plan which he has developed.

Mr. Vickers' background is that of production engineer. Before entering life insurance he was executive field engineer of the Sherman Engineering Corp., and was plant manager for the DeForest Radio Corp. During the World War he was a sergeant in Company F of the 102nd Engineers, the old 22nd Regiment of New York. He has been in the life insurance business for five years and is widely known among life men in Greater New York.

SOME JUNE RECORDS

The J. S. Myrick agency of the Mutual Life of New York in New York City paid for \$1,820,754 in May as against \$1,907,534 in May of last year. Production for the year to date was \$9,516,203 as against \$14,968,576.

KRUH RECORDS INCREASE

Robert Kruh, manager Continental American Life in New York City, who recently shifted his office from Brooklyn to mid-town Manhattan, chalked up a 40 percent increase in paid business for April and is seventh in the company's agencies for the year to date and sixth for April.

LIFE MANAGERS OUTING

The Greater New York Life Managers Association will hold its annual outing at the Rockville Country Club, Rockville Center, Long Island, June 19. Many supervisors will be guests of their general agents and managers, and President Harry Gardiner has put up a

trophy for the supervisors' golf handicap and one for the managers' handicap. There will be tennis, horseback riding, and surf bathing for non-golfers. General Agent J. M. Fraser Connecticut Mutual Life is chairman. There will be a dinner and presentation of awards in the evening.

ANNIVERSARIES HONORED

General Agent J. M. Fraser and Associate General Agent H. J. Ransom of the Connecticut Mutual Life in New York City took to Hartford 91 applications for \$474,000 which agents wrote in honor of Mr. Fraser's birthday and 90th anniversary of the company.

SAYS PRICE WILL DECLINE

Prices of investment securities are bound to drop because of the "very high" levels at which they are currently selling, according to Hugh Knowlton, partner in Kuhn, Loeb & Co., who addressed a meeting of financial advertisers in New York City.

Bankers are not responsible for the high level at which securities are selling today, said Mr. Knowlton, pointing out that "the government itself, by the various ways in which it is contributing towards easy money, is one of the responsible factors, and when prices subsequently drop, as they are bound to do, and the politicians blame the bankers, as they always do, it will be well to remember this fact.

"If the security offered by an investment banker has an intrinsically sound investment quality and is priced in accordance with the prevailing level for securities of its type the investment banker has discharged his duty to the public," the speaker said. "It is no fault of the investment banker if, due to the fact that a bond was brought out at a time when bond prices generally were very high, as is the case at present, the market price at some time during the life of the security declines."

AS SEEN FROM CHICAGO

SUPERVISORS' OUTING JUNE 10

The annual outing and golf tournament of the Life Agency Supervisors of Chicago will be held June 10 at Elmhurst Country Club. Prizes are offered. Dinner will be served at the club. H. G. Walter, assistant general agent Stumes & Loeb, Penn Mutual, is general chairman for the outing, with Talmage Smith, supervisor Meyer agency, New England Mutual, president of the supervisors, in general charge.

THOMAS IS ELECTED PRESIDENT

Plans for reorganization of the Home Office Life Underwriters Association of Chicago were discussed at a meeting.

An effort is being made to stimulate greater interest in the organization. Programs are planned for September to May, inclusive, each year. Officers were elected. Frank Thomas, Great Northern Life, being president and H. O. Carlson, Reliance Mutual Life, is secretary-treasurer.

"ANNIE LOU" WITH THE "DIGEST"

Miss Annie Lou Richwine, who has been doing both editorial work and business getting on the "Association News" of Kankakee, Ill., started this week as a member of the staff of the "American Insurance Digest" of Chicago and will pursue the same course with that publication. She will specialize on feature

Suggests Plan for Meetings

Holgar J. Johnson, Chairman of Educational Committee, Outlines Features for Regular Programs

H. J. Johnson, Pittsburgh general agent Penn Mutual and chairman of the committee on education of the National Association of Life Underwriters, has sent out a bulletin to local association presidents outlining a plan for aiding them in planning programs.

The plan provides for a series of specially written "talks" by leaders in the business to be used either as a guide for a local speaker or as material for building a round table discussion. The "talks" will be arranged attractively in booklet form with ample space for note-taking, and each "talk" will be prefaced by an introduction of the "speaker." The first "talk" by Chester O. Fischer, general agent Massachusetts Mutual Life, St. Louis, entitled "The Power of Action," accompanied the bulletin sent out this week. Others will follow as fast as they are available.

Mr. Johnson suggests that the material in these booklets can either be used as a guide by local speakers who can build their talks around them, injecting their own views on the subject, or copies may be given to each member at the beginning of a meeting and the material used as a basis for a round-table discussion, under the direction of a leader.

In preparing the series, the National association has received the generous cooperation of S. J. Dickinson of Hartford, sales consultant and investigator of sales methods. Each booklet concludes with a summary by Mr. Dickinson of the speaker's "talk" in which he brings out the salient points of the "address."

The service will appeal particularly to small associations off the beaten track where it is difficult to obtain speakers of national prominence.

Rochester, N. Y.—New members of the executive committee are J. Kidd, New England Mutual; W. F. Lutz, Provident Mutual, and E. J. Schlitzer, Massachusetts Mutual.

New York City—Dr. F. N. Beresford, medical director, Provident Mutual Life, will be the speaker at the June luncheon. The annual meeting will take place immediately after the luncheon, at which officers nominated last month are scheduled for election.

Zweifel New Ohio President

State Association Holds Annual Meeting in Columbus—Adams, Bowen and Trantham Speak

COLUMBUS, O., June 4.—The Ohio Association of Life Underwriters held its annual meeting here. President Ray Hodges of Cincinnati presided and addresses were made by Claris Adams, executive vice-president American Life of Detroit; Superintendent Bowen and Homer Trantham, executive secretary Insurance Federation of Ohio. In attendance at the meeting were representatives of local associations at Akron, Canton, Cincinnati, Toledo, Cleveland, Columbus, Lima, Newark, Portsmouth, Steubenville, Warren and Youngstown.

Fred Zweifel, Equitable of Iowa, Toledo, was elected president and J. Boyd Davis, Penn Mutual, Columbus was re-elected secretary-treasurer. Five vice-presidents were named: J. S. Drewry, Mutual Benefit Life, Cincinnati, who is president of the Insurance Federation of Ohio; J. W. Ray, Travelers, Columbus; Ray E. Kennedy, Metropolitan, Akron; E. V. Leach, Mutual Life of New York, Portsmouth, and H. G. Johnson, Bankers of Iowa, Cleveland.

Mr. Hodges reviewed the activities of the association the past year, and it was decided that the new officers should give consideration to a plan for holding a two-day convention some time the coming year. A business session would be held the first day and on the second day addresses would be delivered by men outstanding in the life insurance world.

Tribute was paid by the association to the late U. S. Brandt, president Ohio State Life, and Frank H. Davis, late vice-president Penn Mutual. Mr. Adams in his address also paid tribute to these men and told of his association with Mr. Brandt in the American Life Convention.

Executives of Columbus life companies were in attendance and C. Vivian Anderson, Cincinnati, former president of the state and National associations, who was chairman of the committee on nominations, was given a vote of appreciation for his services.

Superintendent Bowen reviewed briefly the activities of his department and expressed appreciation of the service and help given him by life insurance men in Ohio. Mr. Trantham discussed legislative matters and the activities of

the Ohio Federation. Mr. Adams told of social and economic trends and their effect on insurance.

Strong Speakers Announced for Alabama Sales Congress

Speakers announced for the sales congress of the Alabama Association of Life Underwriters in Montgomery June 25-26 include M. Albert Linton, president Provident Mutual Life, "Life Insurance as an Investment," J. E. Woodward, vice-president Life of Virginia; J. Holgar Johnson, Pittsburgh general agent Penn Mutual Life, on "Trends;" Dr. Hubert Greaves, professor of public speaking, Yale University, S. F. Clabaugh, president Protective Life of Birmingham; T. J. Huey, superintendent of Prudential, Birmingham, "The Function of Industrial Life Insurance;" and H. M. Powell, Atlanta general agent State Mutual Life, "It Can Be Done." J. Orlando Ogle of Birmingham is president. An attendance of 1,000 agents from Alabama and adjoining states is expected.

Taxation Question Dominant in Ohio, Trantham States

Taxation will be an important question before every session of the Ohio general assembly for years to come because of the ever-increasing demand for more revenue and because it will sooner or later be necessary to replace the present stop-gap taxes with a comprehensive plan, Homer Trantham, executive secretary Insurance Federation of Ohio, told the Ohio association in its meeting.

It will be necessary for business to wage a constant fight against further entrance of government into private business, he said, because depression and removal of opposition to numerous economic experiments has brought about changed public attitude. Especially will this be true of insurance because of its social significance and because many state insurance fund laws already are on the statute books.

Cooperation between all classes of insurance agents and companies is absolutely necessary, Mr. Trantham believes, if destructive legislation is to be successfully combated. Insurance men must keep themselves informed concerning pending legislation and assist legislators to arrive at true understanding of principles involved.

Sales Clinic at Chicago

W. Ray Chapman, assistant director of agencies Northwestern Mutual Life, spoke on "Sales Promotion Through Mail" at the sales clinic on Wednesday sponsored by the Chicago Association of Life Underwriters. "Making Direct Mail Advertising Pay" was the theme of the clinic, which was conducted by Chicago agents of the Northwestern Mutual.

A. J. Johannsen, who presided, together with E. O. Paulson and Dan Kaufman of the Hobart & Oates agency, reported on results of a three month experiment in which 15 agents recorded experiences with direct mail in 1,000 cases.

Roger Hull on Springfield Tour

NEW YORK, June 4.—Managing Director R. B. Hull of the National Association is addressing local association meetings this week in Little Rock, Memphis, Nashville, Chattanooga, Knoxville and Macon. The Little Rock meeting on Tuesday was held jointly with the Kiwanis Club. He spoke at Memphis Wednesday, Nashville this noon and Chattanooga this evening, and will address the Knoxville and Macon associations tomorrow and Saturday respectively.

San Francisco—With no opposing candidates presented, T. A. Gallagher, Prudential, will be elected president at the annual meeting. He has been prominent

in life circles in San Francisco for the past 15 years and has been a consistent producer of more than \$500,000 annually. The past year he was vice-president, representing the personal producers section. He has also served as chairman of the San Francisco C. L. U. chapter.

Also nominated without opposition are: Desmond Kelly, Equitable of N. Y., vice-president representing personal producers; V. T. Motschenbacher, Sun Life, vice-president representing general agents and managers; C. H. Linford, Travelers, vice-president representing C. L. U.; and A. E. Flamer, Aetna Life, secretary-treasurer.

Greensboro, N. C.—H. P. Foust, Phoenix Mutual, is the new president, N. C. Cooper, Northwestern Mutual, vice-president, R. T. Bridges, Massachusetts Mutual, is secretary.

Georgia—Roger B. Hull, managing director National Association of Life Underwriters, will give the principal address at the Macon meeting, June 6. Representatives from the associations in Atlanta, Savannah, Columbus, Albany and Augusta will participate.

Denver—The nominating committee of the Colorado association has announced its slate. The election will be held the latter part of June at a banquet and dance.

The nominations are: President, Guy Gay, Denver; vice-president from Denver, C. Earl Davis; vice-president from northern Colorado, Edgar L. Greer, Greeley; vice-president from southern Colorado, W. B. Rogers, Pueblo; secretary, Al Severs, Denver; directors, J. Stanley Edwards, George Williams, C. E. Eddleblute, A. N. Meyer, D. J. Harrington, all of Denver.

The association has started a membership drive under the leadership of D. J. Harrington.

Cincinnati—Nominations for officers have been made. Action will be taken at a meeting June 10. J. W. Austin, Penn Mutual, is secretary of both slates. One group includes H. S. Hatfield, Northwestern Mutual, president; Sidney Marean, Union Central, vice-president; R. G. Leuzinger, Phoenix Mutual, treasurer; C. F. Brawley, Western & Southern, W. C. Wilson, Guardian Life, and L. B. Scheuer, State Mutual, directors. The other group includes: L. D. Fowler, Connecticut Mutual, president; L. B. Scheuer, State Mutual, vice-president; L. R. Clark, Equitable, N. Y., treasurer; H. L. Hogan, Equitable, Ia., R. B. Maddux, Prudential, and C. F. Brawley, Western & Southern, directors. National executive committee-men are L. D. Fowler, Connecticut Mutual, and Ray Hodges, Ohio National.

Omaha—Edwin Gould, field superintendent in Nebraska for Northwestern Mutual, has been nominated for the presidency. He has served as secretary for the past 30 months. A. W. Wilson, Bankers Life of Des Moines, is the present president. J. E. Moss, Aetna Life, was nominated for the vice-presidency; R. H. Campbell, American Reserve, secretary Winslow VanBrunt, General American, treasurer. Nominations for directors included Floyd Miller, New England Mutual; Sam Starrett, Guarantee Mutual; Robert Wiley, New York Life; Harry Goetz, Union Central; Lloyd Smith, Bankers Life of Nebraska, and Floyd A. Rosenfelt, Equitable Life of Iowa.

Little Rock, Ark.—Roger B. Hull, managing director National association, spoke on "Real Security—Individual Provision or Governmental Bounty."

Buffalo, N. Y.—Members of the Buffalo association named these four directors: Hans O. Clasen, Massachusetts Mutual; C. E. McGeorge, Mutual Benefit; C. R. Scribner, State Mutual, and R. C. Wonderlic, Mutual Life.

The new directors chose Harlan M. Walker, manager Travelers, to succeed Carl S. Hemberger, Home Life, as president. D. P. Sullivan, Prudential, was elected first vice-president; T. G. Shields, Equitable Life of New York, second vice-president; B. G. Tallman, Jr., Travelers, secretary, and R. C. Wonderlic, Mutual Life, treasurer.

Fall River, Mass.—The annual banquet was held, there being a talk on cash surrender and loan values by J. G. Keenan, deputy chief Rhode Island department. Mayor Murray was a guest and the toastmaster was Louis Lemay.

WITH INDUSTRIAL OFFICES

Timothy Toohey Dies After 41 Years with John Hancock

Timothy F. Toohey, district manager of the John Hancock at Chicago for 31 years and connected with the company for 41 years, died this week. He was greatly respected in the field, his 40th anniversary last year having been observed at a special dinner, with the District Managers Association as host and attended by Vice-president E. H. Brock, J. W. Messenger, assistant superintendent of agents; W. M. Houze, Chicago general agent and an old friend, and a number of other home office and field men. Mr. Toohey was born in County Clare, Ireland and came to New York in 1889. He went to Chicago later, working for the Northwestern railroad, studying law of nights at Chicago College of Law. He became an agent of the John Hancock in 1895 on the west side of Chicago, and three years later became assistant superintendent. In 1905 he was appointed superintendent of Chicago 3 district which he retained under his direction for 31 years. In later years parts of this district were taken to form other districts. Chicago 3 last year had \$12,000,000 in force and a weekly debit of \$5,500.

Four Survivors of Group

Only four of the 20 charter members of the Metropolitan Veterans Association, formed at a meeting of superintendents in New York Feb. 11, 1902, survive. All are now retired but Charles Stansfield, secretary-treasurer. The others are Frederick Clayton, Clark Williams and John Adams. In 1908 a veterans trophy award for annual presentation to the leading all-around dis-

Blakeslee Joins Monarch Life

H. C. Blakeslee has resigned as general agent Northwestern National Life at Columbus, O., to become associate general agent of the Monarch Life there. The office is at 20 South Third street.

Unique Manual Digest Is a Valuable Volume

The "Unique Manual Digest," published by THE NATIONAL UNDERWRITER, is this year a decidedly helpful volume so far as life insurance reference work is concerned. Every known legal reserve company wherever located, notwithstanding its location or size, is found in the book together with information of real value as to its history and financial standing.

Very often a life insurance man is asked about some company of which he has never heard. The "Unique Manual Digest" therefore comes in to tell him. This year, aside from the regular material that has been given in the past, consisting of premium rates, dividends and a brief description of policies and provisions, is added a very valuable feature. "The National Underwriter Life Insurance Reports," which gives in compact form all that anyone desires to know, something about a company's history, financial statement, official personnel, record for five years, etc. A life insurance man thus has in one volume at a cost of \$5 everything that he needs to know about a legal reserve life company. It is a most valuable reference book and the price is at a point where anyone can afford to have it. There are plenty of reference books that deal with some of the larger companies but from time to time life insurance men are asked for information about some small company and have difficulty in finding any reference book giving the information sought.

trict was established, and in 1916 the Home Office Veterans Association was formed. J. H. Crankshaw, then superintendent of agencies, was first veteran of the field men's organization.

Attend Colorado Roundup

F. E. Frisbie, superintendent of the Wichita district of the Prudential, took 27 men to the three-day roundup in Colorado Springs, which was attended by representatives from five states. Thirteen were from the Wichita office and the remainder from Newton, El Dorado, Hutchinson, Arkansas City, Winfield and Dodge City.

Chattanooga Office Expands

The Commonwealth Life's Chattanooga office has increased its personnel from 14 to 18 men, besides Manager Atwell Altman, because of the city's recent growth brought about by TVA's construction of Chickamauga dam, nearby.

A Commonwealth team composed of five during life insurance week wrote 71 industrial applications for a weekly premium total of \$7.27 and five ordinary applications for a total of \$3,000. M. A. Hawkins won first in a month's production contest.

M. L. Reilly Transferred

Maurice L. Reilly, Portland, Me., manager of the Metropolitan Life for the past six years, has been transferred to Providence, R. I., as branch manager. He has been with the Metropolitan 31 years and was president of the Maine Life Underwriters Association in 1934.



HOME OFFICE OPENINGS

Openings in Ohio and Illinois for a limited time under our new, liberal General Agency Contract. Unusual opportunity for aggressive life men to take advantage of an expansion program which includes a complete change of agents working contract for all standard forms of ordinary policies including juvenile and annuities. " " "

Write for COMPLETE DETAILS

C. E. LINDEMANN
Superintendent of Agencies

THE
GENERAL MUTUAL
LIFE INSURANCE CO.

VAN WERT, OHIO • C. M. Palmort, Pres.

PACIFIC COAST AND MOUNTAIN

Would Revise California Non-Resident Agent Laws

SAN FRANCISCO, June 4.—The life insurance committee of the San Francisco Chamber of Commerce will confer with Commissioner Carpenter in an effort to secure a revision of California laws on non-licensing of non-residents as life agents. Under a recent ruling of the attorney general, no non-resident of California can obtain a renewal of his license after June 30. The committee fears that under retaliatory laws of other states, such restriction will work a hardship on California agents who might write business in other states and hopes to secure the cooperation of the commissioner in presenting legislation which will correct the situation.

The committee includes F. A. Wickett, New York Life, chairman;

LEGAL NOTICE

In the District Court of the United States for the District of Kansas—First Division

Webster W. Holloway, Plaintiff, vs. The Federal Reserve Life Insurance Company, a corporation, Defendant. In equity No. 2003-N.

Notice

Pursuant to order of the Court, in the above entitled matter, notice is hereby given to all qualified life insurance companies that proposals for reinsurance of the business of The Federal Reserve Life Insurance Company may be filed with the undersigned, temporary receiver of the company, on or before June 8, 1936.

Such proposals are to be filed in triplicate, under seal, and should be accompanied by a certified copy of the last annual statement of the proponent, together with a copy of the last report of departmental examination and certificate of compliance, valuation and deposit or of compliance and valuation in the event deposits are not required by the laws of the home state.

Address all communications to the undersigned, Federal Reserve Life Bldg., Kansas City, Kansas.

WILLIAM R. BAKER,
TEMPORARY RECEIVER.

Outstanding
by any
STANDARD
COMPARISON

EQUITABLE LIFE
OF NEW YORK

M. R. Nyman, Occidental Life, vice-chairman; A. K. Deutsch, Equitable N. Y., secretary; A. S. Holman, Travelers; DeLancey Lewis, Pacific Mutual; L. J. Schmoll, Metropolitan; J. M. Hamill, Equitable of N. Y., president San Francisco Life Underwriters Association; Gordon Thomson, West Coast Life; K. L. Brackett, John Hancock; T. A. Gallagher, Prudential, and F. C. Whatley, Aetna Life.

Coast Actuaries to Meet

Immediately following the Life Insurance Sales Research Bureau school at Del Monte, the Actuarial Club of the Pacific States will hold a meeting there June 11-13. The closing day will be devoted to an agency session, with Gordon Thomson, vice-president West Coast Life, presiding. An effort is being made to have at least one agency representative of each company present. O. A. Ehrenclough, Northern Life of Seattle, is president of the club. It is understood that discussions at the meeting will steer clear of technical angles and cover practical aspects of the business from the actuarial viewpoint.

Bureau School for Managers

Managers and home office men from 16 companies are attending the school in agency management conducted by the Life Insurance Sales Research Bureau at Del Monte, Cal., June 1-12. The program will consist of lectures and individual and group discussions on all the vital phases of the manager's job today. The school is being conducted by J. H. Wood, L. W. S. Chapman and J. H. Jamison of the bureau staff. The concluding school to be held by the bureau this year will meet July 20-31 at the Edgewater Beach Hotel in Chicago. Two life men from abroad who are in this country at the present time have registered. They are Goro Shidzume, secretary Taihei Life, Tokyo, and A. A. Gossevisky, manager International Assurance, Singapore.

State Warrants Legal Investment

SAN FRANCISCO, June 4.—Registered warrants of the state of California are now legal investments for insurance companies, as the result of an emergency measure passed by the special session of the legislature and signed by Governor Merriam. While warrants of municipalities and counties have been legal investments for trust funds and insurance companies for many years, those of the state were not and to correct this difference the legislation was rushed through the special session.

With the passage of the law the purchase of state warrants by a number of life companies, under the impression that because municipal and county warrants were legal investments, state warrants fell into the same category, now becomes legal. These warrants bear interest at 5 percent.

AGENCY NEWS

Equitable of N. Y. Officials at the Pittsburgh Agency

President Parkinson of the Equitable Life of New York and Gage E. Tarbell, senior director, visited the Pittsburgh office last week. There was a special luncheon given for the women representatives of the Edward A. Woods Company at which both men spoke. In the afternoon there was a meeting of the office force, numbering 225 employees. President Parkinson spoke of the objectives of the life business in general, the large amount of business written and other features of interest.

Manager at Tyler, Tex., for Connecticut Mutual



CHARLES G. MILLS

E. F. White, Dallas, general agent Connecticut Mutual Life, announces the appointment of Charles G. Mills as district manager in Tyler, Tex., with supervision over 14 counties in the east Texas oil field territory. For the past six years Mr. Mills has been manager of the Bankers Life of Des Moines in Dallas and for the eight years preceding was the largest individual producer in the Dallas agency of that company.

Mr. Tarbell brought out opportunities in the life business for the office worker, first, to learn the business and then to go into the field soliciting.

In the evening President W. M. Duff of the Woods agency presided at a banquet. There were present some of the leading citizens of Pittsburgh and the agents. There were 68 industries represented which are protected with insurance through the Woods agency. The individuals present at the banquet carried \$193,000,000 of insurance.

Special Training in Los Angeles

Warren F. Howe, home office supervisor Phoenix Mutual Life, has been assigned temporarily to special sales training work in the Los Angeles agency, Leon A. Soper, manager. A class will be organized of men who have had two years or less of field experience, and this will be followed by an advanced training course for men who have had several years of experience. With the exception of a few short assignments for training work in the Seattle and Portland agencies, Mr. Howe's entire time throughout the summer will be devoted to the Los Angeles agency.

Adopt City Group Plan

OKLAHOMA CITY, June 4.—Insurance companies will be invited to bid on new business expected following adoption by city department heads of a system of compulsory group insurance for all city employees except policemen and firemen. A salary raise for the fiscal period 1936-37 is expected to take care of the premium. Each employee will be given a \$1,000 policy with double indemnity and also with disability benefits. City Manager Mosier and Municipal Attorney Deupre, will prepare the form of policy.

Raub and Kahler on Trip

E. B. Raub, president, and A. H. Kahler, agency director Indianapolis Life, have completed a tour of the Dallas, San Antonio and Houston agencies, returning to the home office.

NEWS OF LIFE POLICIES

New Policies, Premium Rates, Dividends, Surrender Values and all Changes in Policy Literature, Rate Books, etc. Supplementing the "Unique Manual Digest," published annually in May at \$5.00 and the "Little Gem" published annually in March at \$2.00

New Mutual Benefit Rates

Company Announces Special Retirement Endowment Policy for Women and Other Changes

As announced at the White Sulphur Springs agents convention by H. G. Kenagy, superintendent of agents, the Mutual Benefit Life is issuing a new improved rate book, a new retirement endowment contract for women, and will henceforth pay full commissions on the supplementary disability contract.

The new retirement endowment policy for women, on \$1,000, has the following provisions: maturity at age 55 for \$1,858 or \$10 monthly income for life, premiums at age 20, \$39.66; at age 30, \$61.89 and age 40, \$115.89. Cash values at policy year one are: age 20, \$17.06; age 30, \$36.54 and age 40, \$84.40.

Maturity at age 60 for \$1,648 or \$10 monthly income for life, premiums at age 20, \$30.75; at age 30, \$45 and age 40, \$74.95. Cash values at policy year one are: age 20, \$8.84; age 30, \$20.94 and age 40, \$46.55. Maturity at age 65 for \$1,435 or \$10 monthly income for life, premiums at age 20, \$24.72; age 30, \$34.26; age 40, \$52.53 and age 50, \$96.36. Cash values for first policy year are: age 20, \$3.28; age 30, \$11.03; age 40, \$25.82 and age 50, \$61.36.

The date on which the new rates will become effective has not yet been announced. Rates for \$1,000 on male lives for preferred class, with supplementary disability policy issued concurrently with \$1000 policy, are as follows:

Waiver of Premium Only

Age	O.L. Inc.	10	20	Life Paid Up at
20.....	\$0.72	\$0.75	\$0.74	\$0.68
30.....	1.07	1.14	1.08	1.03
40.....	1.82	1.93	1.89	1.92
50.....	3.62	3.90	4.20	3.88
55.....	5.39	...	6.66	5.62

Age	End. 10	End. 20	End. at 60	End. at 65	Ret. End. at 65
20.....	\$1.63	\$1.17	\$0.85	\$0.81	\$0.97
30.....	2.06	1.53	1.32	1.25	1.54
40.....	3.05	2.44	2.44	2.25	2.83
50.....	5.66	4.32	5.66	5.02	6.70
55.....	8.27	5.95	...	8.27	11.33

Increases Annuity Rates

The Lincoln National is issuing a new rate book to be distributed to agents early this month. All instructions formerly included in rate books have been removed and incorporated in a separate booklet to be issued soon. Single premium annuity rates are being increased. Single life annuity premiums are the same as those of the majority of companies issuing annuities.

Department Official Goes Wrong

LANSING, MICH., June 4.—Commissioner Ketcham signed a warrant for the arrest of A. D. Cline, former chief clerk of the Michigan department, who is charged with embezzlement of department funds over a period of several years. The shortage in the accounts so far revealed by an as yet incomplete audit amounts to some \$1,600, it is alleged in the complaint. A specific item cited is embezzlement of \$450 on April 14, 1936, when Mr. Cline is alleged to have pocketed that amount after changing a duplicate receipt from \$564 to \$114.

Mr. Cline, who was relieved of his duties sometime ago after the shortage had been discovered and he, according to Commissioner Ketcham, had confessed his responsibility to his chief, had been with the department about nine years, the last year as chief clerk.

LEGAL RESERVE FRATERNALS

O'Malley in Reply to Drive

Missouri Superintendent in Vigorous Stand on Political Activities of Some Societies

JEFFERSON CITY, MO., June 4.—Superintendent O'Malley and Jerome Walsh of Kansas City, special attorney for the department in its efforts to force various fraternal societies to pay Missouri a 2 percent premium tax reacted vigorously to the efforts of the fraternal societies to defeat Major L. C. Stark of Louisiana, Mo., for Democratic nomination for governor. The fraternal societies hope that if William Hirth of Columbia, Mo., principal opponent of Stark, should be elected he will not reappoint O'Malley. The fraternal societies last week formed the Fraternal Welfare League, with C. F. Westcott, St. Louis, as chairman, to work against Stark's nomination.

Mr. O'Malley defended his suits against the fraternal societies, stating they have been writing insurance similar to that of old line companies and that this made them subject to the tax.

O'Malley Makes Statement

"The bona fide fraternal insurance societies have no cause for fear regarding the attitude of this department and some of the fraternal societies have been given written assurance of that kind," he said. "The code proposed to the last session of the general assembly included a section through which the fraternal societies would be required to set up reserves and write legal reserve insurance. If they chose, under the law, they could have written the cheaper term insurance, but they would have been required to specifically state the type of policy."

"The only opposition to the code came from the undesirable fraternal and burial societies, and the political power their representatives boasted was sufficient to force elimination of the fraternal section from the bill."

Charges Raiding Funds

"The parasites in the fraternal insurance organizations—the gentlemen who draw salaries as directors to make large loans for the societies and the pay roll ganging down into the small local organizations—are the only enemies this department has in the fight for sound insurance. Within the last three weeks this department has forced one large fraternal to transfer \$1,000,000 from its expense fund to its benefit fund. It is the expense fund that all those fraternal societies of the type to which I have referred, desire to bolster, and then to raid. Fraternal insurance will be written on a sound basis in Missouri or it will not be written, whether or not I remain as superintendent."

To increase sales efficiency write for "Buying Time." It's free. Diamond Life Bulletins, 420 E. 4th St., Cincinnati.

Illinois Fraternal Figures

State Congress President Analyzes 1935 Statements Filed with Insurance Department

Fraternal life insurance in force in Illinois represents 8 percent of the total in force there, President D. T. Winder of the Illinois Fraternal Congress reports in a bulletin analyzing 1934 and 1935 statements to the insurance department. The number of fraternal members increased from 871,573 to 882,201 and amount of insurance written, revived, etc., from \$59,063,322 to \$65,024,784, he reported.

There was a drop in premiums paid from \$17,576,969 in 1934 to \$17,159,118 at the end of last year, but as against \$13,428,695 claims paid in 1934 there was only \$12,549,238 paid in 1935. Total fraternal life insurance in force decreased slightly from \$725,213,248 in 1934 to \$725,140,206 last year.

Higher Than National Average

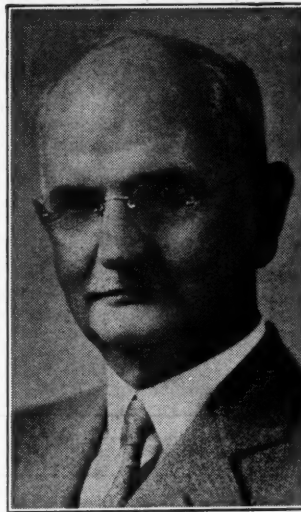
There are 141 fraternal societies operating in Illinois, one Illinois society being merged with another last year and a society from another state admitted. President Winder stated the per capita average of fraternal life insurance in Illinois was \$92.76 compared to the estimated national per capita average of \$52.68 and, including all types, \$89.1 national average and Illinois average, \$1,146.

"Attorneys for the back tax collectors can argue that fraternal legal reserve insurance is the same as old line legal reserve insurance," Mr. Winder commented, "but the fact remains that any comparison between the amount of insurance written during the year and the amount of insurance in force at the end of the year clearly shows a favorable difference between the fraternal plan and old line plan, sufficient to justify exemption from premium taxation because of the fraternal non-profit motive." He cited the fact there was more than \$73,000 drop in fraternal life insurance in force in Illinois last year, compared with \$222,000,000 gain of old line insurance in force.

The comparison showed old line ordinary life insurance in force in Illinois constituted 66 2/3 percent of the whole, fraternal 8 percent, group 10 percent, industrial 14 percent, mutual benefit associations 1 percent and assessment one-third of 1 percent.

The fraternal societies wrote in new business in Illinois last year \$65,024,784 and have in force \$725,140,206. The leaders in new business were the Fidelity Life of Fulton, Ill., with \$5,535,771; Modern Woodmen, \$6,140,821; Polish National Alliance of Chicago, \$5,870,390; Polish Roman Catholic Union of Chicago, \$2,223,453; Royal Neighbors, \$5,174,520;

New Secretary



John V. Sees, Hunting, Ind.

John V. Sees, well known attorney and life insurance man of Huntington, Ind., who becomes secretary of the Standard Life of Lawrence, Kan., and will move to that city, has long been identified with life insurance work. He is president of the Rural Bankers Life of Indiana and the Rural Bankers Life of Chicago. He is a director of the Globe Life of Chicago.

Aid Association for Lutherans, \$3,253,271; Ben Hur Life, Crawfordsville, Ind., \$2,613,964; International Workers Order of New York \$1,854,300; Knights of Columbus, \$1,920,174; Lutheran Mutual Aid Society of Iowa, \$1,251,113; Maccabees, \$1,103,525; Order of United Commercial Travelers of America, Columbus, O., \$1,790,000; Security Benefit of Topeka, \$1,806,721; Woman's Benefit of Port Huron, Mich., \$1,127,112; Woodmen of the World, \$1,665,820.

Society Is Cutting Salaries

The A. O. U. W. of Kansas, with headquarters at Newton, is revising salaries downward in compliance with a request from Commissioner Hobbs, who said in a report the society was in sound condition, but he would not issue a license until salaries were more in proportion to earnings. Edgar Bennett, supreme master, said he would cut his salary from \$10,000 to \$4,000 a year and other salaries in proportion.

O'Malley Drops Tax Suit

Suit of Superintendent O'Malley of Missouri against the United Commercial Travelers in federal court at Kansas City to collect back taxes alleged due was dropped, Mr. O'Malley stating the society had substantially conformed to the statutes.

Reject DeCelles' Rate Plan

Commissioner DeCelles told the annual convention at Boston of the Massachusetts Catholic Order of Foresters that its present death benefit rates would force the Foresters out of existence inside of five or six years. He offered a substitute plan calling for an increase in monthly rates but the convention voted to reject the commissioner's plan.

Appeal Arkansas Tax Suits

LITTLE ROCK, ARK., June 4.—On appeals filed by the Modern Woodmen, Maccabees and Woman's Benefit Association, the supreme court will pass on merits of the state's premium tax suits. Judgments were returned by Chancellor Dodge in the first three cases selected for trial.

C. L. U. Designation Improves Earnings

(CONTINUED FROM PAGE 3)

questionnaires will probably show lower average earnings but it is believed that the same trend of increased earnings will be shown."

The survey also included questions about enhanced prestige, increased pleasure from life insurance work, increased production during and after preparation for the C. L. U. examinations.

Since agents are judged by sales and managers and associates of C. L. U.'s expect results in terms of earnings, proponents of the movement hope it will be accelerated by wider realization that there is a definite correlation between the C. L. U. designation and a much better than average income. Eligible agents, uncertain whether the C. L. U. is worth their while, will, it is felt, be encouraged by the New York chapter's figures to make the effort, while their supervisory officials will be increasingly ready to urge them to do so.

Study Is Valuable

"Most men are as lazy as they dare be," one C. L. U. pointed out. "Men who have a high degree of natural sales aptitude find selling easy enough so that they rationalize that C. L. U. study is not necessary. They fail to realize the higher earnings that would be achieved by a good man becoming better informed. The earnings figures are, therefore, the more impressive because the more naturally studious men who are attracted to the C. L. U. movement account for these earnings. Probably these incomes are four to five times the average agent's earnings."

While not all members replied to the questionnaire, a majority did so, and it is believed the average would not be much different if all had replied. Offsetting the possibility that those not

WOODMEN OF THE WORLD

Six Modern Legal Reserve Contracts

- Ordinary Life
- Twenty Payment Life
- Endowment at Seventy
- Twenty Year Endowment
- Family Income
- Juvenile

These contracts are participating, and provide all standard non-forfeiture options.



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replying might have been largely in the lower income level, it was pointed out that several of those earning the largest incomes had not filled out questionnaires.

Year	National Income Percent	Salesmen's Group Percent	Supervisory Group Percent
1931.....	100	100	100
1932.....	78	95	103
1933.....	72	80	99
1934.....	82	103	133
1935.....	90	125	157

State Officials' Meeting Program

(CONTINUED FROM PAGE 1)

Minnetonka for celebration of the Pamunkey Indians.

On Wednesday the entire day is reserved for entertainment and sight-seeing.

Program on Thursday

The commissioners will resume Thursday morning and Commissioner DeCelles of Massachusetts and Commissioner Smith of Utah will talk on "Uniform State Taxes and Tax Laws." Commissioner Blackall will speak on stocks and bonds as insurance company investments while Superintendent Bowen of Ohio and R. T. Cragin, head of the real estate division of the Ohio department, and Deputy John Speidel of Iowa will talk on "Mortgages and Real Estate."

In the afternoon two commissioners will talk on "Occupational Dust Diseases," they being Commissioners Hunt of Pennsylvania and Carpenter of California. There will be a night club dinner dance at the Hotel St. Paul that evening.

The executive session of the commissioners will be held Friday morning and officers will be elected.

WOMEN'S PROGRAM

ST. PAUL, June 4.—Women who attend the insurance commissioners meeting will find a program of delightful entertainment arranged for them. While the men are busy with their business sessions, the women will be taken in hand by a committee of St. Paul and Minneapolis women headed by Mrs. H. W. Allstrom, wife of the vice-president and actuary of the Minnesota Mutual Life.

Tuesday afternoon, the women will be taken on a motor tour of the Twin Cities which will include a stop for tea at the Minnikahda club, Minneapolis. Then they will be brought back to St. Paul for dinner and a social evening at the Women's City club, St. Paul.

Wednesday being recreation day for the men, the women visitors will be taken to the White Bear Yacht Club for a full day's entertainment which will include golf, bridge and water sports for those who desire them.

One of the most delightful features of the program for the women will be a trip up the picturesque St. Croix valley Thursday. Leaving St. Paul at 10:30 a. m., the women will be driven 20 miles to Stillwater where they will have breakfast at the Lowell Inn, one of the most popular hostels in this section. After the breakfast the party will continue up the beautiful St. Croix valley to the summer home of J. C. McKown, secretary of the St. Paul Fire & Marine, where they will spend the afternoon. They will return to St. Paul in time to attend the dinner dance that evening which will be the concluding social event of the week.

WILL VISIT WISCONSIN

MADISON, WIS., June 4.—At a meeting of local insurance men called by Commissioner Mortensen to arrange for the visit of insurance commissioners and camp followers who will stop off here June 7 en route to the annual con-

vention opening in St. Paul the following day, N. J. Frey, president Wisconsin Life, was chosen general chairman, and W. F. Schar, Stark Insurance Agency, secretary of the Madison and Dane county fire boards, was named secretary. The party plans to arrive in Madison early Sunday morning by train from Chicago for breakfast. That morning they will be given an automobile sightseeing tour of Madison, the state capitol and vicinity, after which they will be taken to Wisconsin Dells in cars for a steamer cruise of the famous "Dells" of the Wisconsin river.

M. J. Cleary, president Northwestern Mutual Life; John E. Reilly, president Old Line Life of Milwaukee; Col. C. R. Boardman, president Wisconsin National Life, Oshkosh, and other executives of those companies, together with representatives of all insurance interests of Wisconsin, will be in Madison June 7 to greet and help entertain the commissioners and their party.

HEAVY REGISTRATION

ST. PAUL, June 4.—George W. Wells, secretary Northwestern National Life and former Minnesota commissioner, general chairman, reports that reservations are heavy and indications point to one of the largest gatherings of insurance men ever held in this section of the country. More than 300 from outside the Twin Cities have made hotel reservations.

Wednesday the entertainment of the commissioners will reach its high point with a special fishing trip to Milacs lake, one of the largest bodies of fresh water in the country. The trip will be made in a chartered bus, arriving at the lake in time for luncheon. A launch will be provided for fishing in the afternoon and in the evening dinner will be served at one of the lake resorts.

A committee headed by Roy Neinhauer of St. Paul has provided autos which will be at the disposal of the visitors during the week and half a dozen fine golf courses will be open to them.

DETROIT AS HOST

DETROIT, June 4.—The commissioners en route to St. Paul will reach Detroit shortly after 7 a. m., Saturday in special trains from Washington and New York. A delegation of Michigan insurance interests, headed by Commissioner J. C. Ketcham, will meet the trains and escort the commissioners to the Detroit Athletic Club for a breakfast at which Mr. Ketcham will preside. Plans had previously been made by the railroads to entertain the group at Henry Ford's Greenfield Village with luncheon at Dearborn Inn.

The local committee includes W. G. Curtis, president National Casualty; Raymond Waldron, vice-president, Detroit F. & M.; Ralph Wade, comptroller Michigan Mutual Liability; J. J. Ramsay, general manager Detroit Automobile Inter-Insurance Exchange and George Carter, Detroit Insurance Agency.

D. F. Broderick will be host at a University Club luncheon.

Quitting Detroit that afternoon, the delegates will arrive in Chicago at 8:40 in time for an evening conference at the Hotel LaSalle.

ITINERARY

The special sleepers will leave over the New York Central from New York City, June 5, at 5:30 p. m. Those from New England will leave Boston at 3:20 p. m. Friday, June 5 and from Springfield, Mass., at 5:43 p. m. The entire party will leave Albany at 8:43 p. m. and arrive at Detroit at 7:20 p. m., June 6. There will be a sightseeing trip at Detroit, including inspection of the Ford Motor Company, Edison Institute

and Greenfield Village. Luncheon will be served at the Detroit Yacht Club. The party will leave Detroit at 4:40 p. m. on Saturday, arriving in Chicago at 8:40 p. m., central standard time. The special train will leave over the C. M. & St. P. at 2:05 a. m., Sunday, arriving at Madison at 5:30 a. m. The cars may be occupied until 7:30 a. m. Members of the party will be guests of Commissioner Mortensen for breakfast and then will take a sightseeing trip. The special train will leave at 1:30 p. m. for the Wisconsin Dells. The party will leave the Dells at 6 p. m. and arrive at St. Paul at 11:15 p. m. Sunday.

Report of Senate Finance Committee

(CONTINUED FROM PAGE 3)

persons entitled thereto: Provided, however, That the proceeds of policies on which the premiums are not substantially equal in amount for each of the first 10 years of the life of the policy, or on which more than one year's premium has been paid in advance, shall not be deductible: Provided further, That the amount deductible as aforesaid shall not include premiums paid in advance, and shall not exceed \$1,000,000.

"(b) The amendment made by subsection (a) shall be effective only with respect to transfers of estates of decedents dying after the date of the enactment of this act."

RIEHL WELCOMES MEASURE

NEW YORK, June 4.—T. M. Riehle, chairman of the committee on law & legislation of the National Association of Life Underwriters, commenting on the Loneragan bill, said: "Under this plan a logical deduction is granted for that amount of money which must be used in the payment of the tax itself, which is to all intents and purposes an unavoidable debt. The payment of estate taxes is today an extremely burdensome factor, and it is gratifying that the senate finance committee has deemed it expedient to give relief along this line to the estate owner who is willing to make provision during his lifetime for the prompt payment of the tax to the government."

The new legislation will apply to the owner of existing insurance, as well as of new insurance, and can be applied to several familiar standard policies, such as ordinary life, twenty payment life, etc., he observed.

"In a majority of cases it is not wise business judgment for an estate owner to keep a sufficient amount of cash or liquid assets on hand for the payment of such a tax, with its uncertain date of payment," Mr. Riehle declared. "When this is not done, however, executors may be forced to sacrifice the best assets of an estate at a substantial loss, in order to raise cash. Such a procedure can ruin a profitable going concern, or obviate the disposing of valuable real estate at a fair or satisfactory price. And such sacrifices do not improve the economic condition of the country, or its people."

Would Levy on Pension Plans

NEW ORLEANS, June 4.—Representative Lindsay introduced a bill in the legislature to levy 1 percent tax on all fraternal premiums for old age pensions.

Budget Time for Day and Get \$113,000 New "Apps"

Will F. Noble, Nebraska general agent for the New England Mutual Life, tried out a novel plan. He had his 19 agents in Omaha and Lincoln meet for breakfast at 7:30 a. m. Each man budgeted his time until 11 p. m. At that hour they met, and 50 applications for \$113,000 insurance were reported.

MANAGERS ASSOCIATION

Lacy Talks at Meeting of the Los Angeles Managers

O. J. Lacy, president California Western States Life, was the guest of honor and speaker at a luncheon-meeting of the Life Insurance Managers Association of Los Angeles, making a special trip from the home office at Sacramento to address the meeting. In his talk on "The Mental Attitude of the Agent," Mr. Lacy gave an interesting review of his own experience 20 years ago when he entered the business as a part time agent. He outlined his own mental attitude with respect to problems encountered in daily work, to which he discovered he was devoting as much time as a full time agent. From this experience and subsequent training, plus additional knowledge gained through observation, he based the plan suggested to managers and general agents for use in the selection and training of agents. J. H. Cowles, Provident Mutual, president of the association, presided.

Jones on Columbus Address

M. F. Jones of the home office of the Travelers will address the members of the Columbus Life Managers Association Friday noon. Golf will follow the address. This is the association's last meeting until fall.

New Indiana Directory Out

State Handbook and Reference Work Gives Complete Insurance Picture of the State

The Underwriters' Hand-Book of Indiana for 1936 has just come from the press of THE NATIONAL UNDERWRITER. This, the oldest state insurance directory in the west being first published in 1891, gives the complete information on Indiana insurance-wise.

In compiling the agency directory department, which gives the complete list of all agents licensed to operate in the state together with the companies which they represent, other business transacted, date established, etc., the compilers have found that in 1936 the Indiana department issued 29,111 licenses compared with 27,674 in the previous year. The most notable change was that in the life insurance licenses which dropped from 4,202 in 1935 to 3,637 in 1936. This drop was caused by the cutting out of part-time life agents licenses in Indiana and was noticed in connection with the majority of the companies. An increase of about 900 stock fire licenses and stock casualty brought the total up, there now being 14,474 stock fire licenses and 8,820 stock casualty licenses.

The compilers of the Indiana Hand-Book secured from the Indiana insurance department the statistical information showing the record of business in 1935 prior to the publication of the state insurance report and it is published in the hand-book for the first time.

Life insurance paid for in 1935 in Indiana was \$401,216,489 compared with \$415,668,548, while the insurance in force was \$2,266,393,032 compared with \$2,239,754,502 in the previous year. This drop in paid for business apparently was in connection with group insurance as a few companies which have been writing large amounts in previous years suddenly dropped in 1935.

"Publicity Methods for Life Underwriters," by Arthur H. Reddall, is the most complete study of advertising methods for the life agent yet written. Price, \$4. Order from The National Underwriter.

SALES IDEAS AND SUGGESTIONS

Technique and Personality Are Most Vital Factors

By Thomas E. Berry,
Hillsboro, O.

I was waiting to see a merchant who was somewhat interested in life insurance and I became impatient. A calendar salesman was trying to sell my prospect some calendars he didn't want. Suddenly it occurred to me that he was making some progress and I decided to observe him closely and learn something about selling.

"You know a calendar is one of the best investments a merchant in the country can make," he pointed out, it seemed to me, a dozen times. Every time he said it, he would tell a story about how his calendars had helped some customer widen his trade center, hold old customers, and increase the volume of his business.

Salesman Has Text and Believes in It

It was evident that this salesman had a text and he was doing some good preaching. Suddenly the merchant said with a lot of sarcasm, "What do these wonderful calendars cost?" "They are very reasonable," he replied, "and beautiful," he added. "Then I am sure, that as you add to them year after year, you will do what many of our customers do. You won't think of them as an item of cost, but you will look on them as one of your best investments."

(Note the positive suggestion in this last remark. He expected the merchant to buy, and he suggested a well satisfied client, through the years.) That's good selling. I have used it many times since, seeing this demonstration and it has been of great value.

In training one of my agents, I discovered, after we were almost to the home of his prospect, that he did not have application blanks and that his fountain pen was empty. "You wouldn't go out hunting without any shells in the gun, would you?" I asked.

Agent Can't Sell If He Doesn't Think So

"No," he said, "But I hardly think we'll sell this man tonight." He didn't expect to sell so he couldn't. I did expect to sell, and of course I did. I was determined to sell this prospect, just as a demonstration, and while it was a very hard case, and the amount was only \$1,000, much good will resulted and other later sales were made in the community. This mental attitude that was so well illustrated by the calendar salesman is of great help to any life agent.

Watching the next step of the calendar salesman, he pulled out a calendar and said, "Don't you like it? Won't that calendar in any home in the community be of great help to you?"

"Yes," was the quick reply by both the man and his wife. The salesman quoted a price on 500, which was many more than anyone would expect a merchant in a small town to buy. However, this was a distinct compliment and the merchant appreciated it.

Get Interest Aroused and Wait for Questions

About this time the wife said, "Have you any more calendars?" This inquiry was suggested by the salesman's laying a grip on the counter, partly opened. "Yes. We have a complete line. Here is a very good one. It repeats, too, year after year," the salesman said. (Note the suggestion of well satisfied customers who buy year after year.)

Five or six calendars were now dis-

played and I noticed they were all clean and attractive, which is also important in circulars describing policies, or in any written proposals that may be used.

This is how the sale was closed. "Which do you like the best?" he said to the merchant's wife. She looked them over and picked up the first one he showed. "And which do you like the best?" he said to the merchant. He smiled and after a very careful study picked up a calendar very much like the first.

Take It for Granted That Sale Is Made

Without saying more, all calendars but the one selected were put back into the case, and the salesman said, "Would 500 be about the right amount?" You see, he took it for granted that the sale was made. Very few buyers will say "Write it up." They expect you to do

it. I failed to close a lot of business my first year, just because I didn't know this.

If you are going too fast in an interview, the prospect will tell you and then you can bring up your next point. Sometimes I try as many as five times before I close.

Leave Promptly After Making Sale

After a brief conference the merchant and his wife agreed on 300 calendars. The salesman thanked them for their time, handed them the order to sign, and left promptly. Note that when he had made the sale he left at once.

"That's a nice fellow and I like his calendars," the merchant said.

Note this significant remark. It is a tribute to the personality of the salesman, which is the biggest factor for success in the life insurance business or in any business. How do you get to be a nice fellow? Well, some men are born that way, but many of us are not and for us, we must build our personalities by constant daily practice. Improving your personality, so you can sell yourself as did this calendar salesman, is about the most important thing you can do.

Woman "Millionaire" Tells of Her Prospecting Methods

Practical suggestions for prospecting by women agents were given by Sara Frances Jones, Equitable of New York at Chicago, chairman National Association of Life Underwriters women's division, in a talk at the May meeting of the Chicago women's division. Miss Jones was first chairman of the division in that city. She qualified for the Million Dollar Round Table some years ago and this year with nearly \$200,000 paid for in May alone is driving to reach the million mark. Miss Jones follows closely the prospecting methods of Louis Behr, Equitable of New York in Chicago, as published by the "Diamond Life Bulletins."

Suggests Prospecting Plan to Be Followed

"If I were a manager and an agent came to me and asked me the best process to follow," she said, "I think I'd advise:

- "1. To get organized.
- "2. To go over policyholders list, check and look up—(a) Age changes, (b) Birthdays in next 60 days, (c) All term conversions, (d) Number of wives of clients sold. (Wives are splendid prospects for educational policies—give different slant.), (e) Number of young sons and daughters. Check their ages.
- "3. To contact his own doctor—(a) Has he been sold? (b) Who are his associates? (c) What hospital does he use? (d) Who is chief of staff (e) Who is superintendent of nurses?
- "4. To contact his dentist—(a) and (b) same as above, (c) Who sells his dentist his supplies (The wholesaler will listen to anyone recommended by a client.)
- "5. To go down the list of people with whom he trades and to whom he pays money.

Believes Agents Should Follow Advice They Give

"Prospecting is either a problem or a process; when it becomes a process it ceases to be a problem. During Life Insurance Week all over the United States were posters on life insurance; we heard over the radio talks on life

insurance; literature carried the slogan, 'The sooner you plan your future, the better your future will be.' How about taking our own advice? Prospecting means 'looking forward.' In the degree in which we look forward, we will determine our success.

"During January my agency manager, Herbert A. Sloan, had an agency meeting every single day but Saturday at 8:30 a. m. The zero weather, the ice, sleet, snow, made no difference. He wanted us out every day early to discuss our work as an agency. During that entire month we stuck to only one subject, and we had an average attendance of 80 percent of our agency present. I know why—because that one subject, 'Prospecting,' was all we discussed.

Filling Work Sheet Is Simple with Right Plan

"For about two and a half years I have studiously used Lou Behr's work sheet. And the question came to me from one of my best women friends recently who asked, 'But where do you get 75 or 100 names to start with?' If you have been in the business long enough to have 25 clients, they are your best source of prospects. When you have closed a sale and are leaving, how do you leave your client? I have a definite practice which I follow." She asks the client, if he is pleased with the service she has rendered, to tell others who advised regarding the insurance program, and to refer her to these people.

"How often do you get a name out of the daily papers and think of one of your clients in the same line of business? Go to your client and ask him frankly if he knows Mr. —, that you want to contact him as he has just been promoted. Can he tell you if he thinks Mr. — is worth while. If you have served your client well, he possibly will give you most valuable information to help you meet your man. He feels he is working with you. Never fail to call him and tell him the result of your effort.

"Once you start the Behr work sheet, it seems as if names grow on it over

C.L.U. NEWS

MONTREAL CHAPTER ELECTS

At the annual meeting of the Montreal C. L. U. chapter these officers were elected: Chairman, B. W. Woodburn, Imperial Life; vice-chairman, W. O'H. Percey, Canada Life; secretary-treasurer, H. P. Douglas, Prudential; directors, A. D. Poitras, London Life; R. J. Hart, Merrill, Stanley & Lowrey; G. J. Mathewson, Imperial Life; Frank Robinson, Mutual Life of Canada.

COBB IS CINCINNATI HEAD

C. R. Cobb has been elected president of the Cincinnati C. L. U. chapter. Walter Strauss is vice-president, Paul Johnston, secretary, William Earls and A. R. Jaqua, directors.

Chicago Chapter to Meet

Bruce Parsons, million dollar producer of the Drew agency, Mutual Benefit Life, Chicago, will speak on successful selling methods at the meeting of the Chicago chapter Chartered Life Underwriters, June 22. There will also be reports from the various committees, including the nominating committee.

night. I spend regularly two days a week in prospecting. In the second column I put the names of those easiest to contact. Mr. Behr says one must never have less than 12 new names all the time, and I find that sound advice. I keep a card system of the first column in the order the names are on the sheet. At the bottom of the sheet is a record of daily calls and interviews. Louis Behr's prospecting plan has greatly simplified my work. Spread before me each late afternoon, I know where I am going and why I am going there the following day.

"The number of cases paid on my account this year has tripled. It takes a very few minutes to keep the record once it is prepared at the beginning of the month. So far in 1936 it has enabled me to pay for more business than I did all during 1935."

SALES IDEAS OF THE WEEK

WORK ON MONTHLY PLAN

One of the Chicago life men makes the point that far more can be accomplished in reducing life insurance to a monthly income basis so that the buyer can tell exactly what it will do. He states that insurance men make a mistake in dealing with the face amounts of policies rather than the results. A man may think by taking \$10,000 of insurance he is buying quite a sum. The face value looks big. Reduce it, however, to what it will give in monthly income for a year, five years, ten years, or as long as the dependent lives and there is another story.

Therefore when a man is faced with these facts, if he has the resources to meet premium payments he will very likely take a larger amount of insurance in order to gain bigger income. Recently the Northwestern Mutual made a survey of its average size policies, according to different kinds of insurance. For instance, it found that the highest average policy was in its family income department. This is due entirely to the fact that in such policies, income is given rather than the face amount. A man, therefore, purchases a larger amount of insurance in order to get a bigger fixed income.

McCankie Scans Interest Outlook

(CONTINUED FROM PAGE 1)

influence on the economic condition and in turn on the rate of interest.

The opinions of financial experts are conflicting and offer little satisfaction.

Mr. McCankie said that he had compared the rate of interest that had been earned on new investments within the first four months of 1936 with that for 1935 by one life company whose investment policy had not been varied in order to obtain a higher rate of interest. This comparison shows a continued downward trend in yield rate for the first four months of this year.

He said that a cross section of more than \$50,000,000 in bonds—government, state, county and municipal and public utilities—shows an average decrease in yield of about one-tenth of 1 percent. The change is accounted for by the combination of sales, purchases and refunding transactions.

Market Value Is Higher

In a review of a group of bonds refunded by 15 utility companies within the past 12 months, on coupon rates ranging from 3½ to 4 percent, the market value shows about a 4 percent increase since the date of refunding.

Investments of the Equitable Life of Iowa for the first four months of this year, as compared with 1935, show an average yield on government bonds exactly the same for the two periods, but investments in county and municipal,

state and public utility bonds, show a decrease in average yield of more than one-half of 1 percent. The greatest decrease is in the public utility field.

The mortgage market has shown a similar trend, with general reduction in interest on sound mortgages. Collateral loans of the better type, such as policy loans in larger amounts, are being actively solicited by other investment institutions at lower rates than that charged by insurance companies. Those rates are applicable to larger loans and do not take into account the fact that the average policy loan of a life company does not warrant handling at any less rate than charged.

Avoiding Errors in Age

In view of the fact, he said, the companies are likely to receive much single premium business for some time to come and that the trend of interest rates is still downward, it is necessary to be particularly careful to avoid errors in age in connection with immediate annuities, deferred single premium annuities, short term single premium endowments and other maturing contracts on which annuity settlements are available.

In a single premium, 10 year endowment, issued at age 55, an overstatement of one year in age will, on a non-participating basis, only reduce the maturity value by approximately \$2.50 on \$1,000 of insurance, but will increase the available income at maturity by approximately 2 percent.

A deferred annuity, which provides for cash or optional annuity settlements at maturity, taken on the same life with the same overstatement in age, rewards

the misstatement by increasing the income on a refund basis by 2½ percent, or by 3½ percent if an immediate life annuity settlement is desired.

Mr. McCankie presented a tabulation showing the effect of an overstatement of age, by indicating what interest rates are necessary to counterbalance an overstatement of age of one year, for various ages at issue, for an immediate annuity on a male life, assuming that the company uses 3 percent interest in the computation of its premium.

Where the true age is 50, the interest rate required to counterbalance overstatement in age of one year is 3.21 percent; true age 60, interest rate needed 3.36 percent; true age 70, interest rate 3.63 percent; true age 80, interest rate 4.13 percent.

Accordingly, Mr. McCankie said, if the average age at issue is at least 65 for annuity applicants, an overstatement in age of one year is equivalent to an approximate increase of ½ percent in the interest rate which the company must receive on its funds in order to realize an adequate premium. Comparable options of settlement and refund annuities require an approximate ¼ of 1 percent increase in the interest rate. The companies, he emphasized, should insist upon being furnished with authoritative evidence of age before issuing annuities or making payments on an annuity basis under maturing endowments or death claims.

Mortality Rates

He said that the mortality ratio, by amount of annuity under settlement options, was 90 percent of the expected, according to the American annuitants' select table, even though the average period of annuity certain was 20 years. If shorter periods certain are selected, as greater knowledge of benefits is acquired, the results, if they can be attributed partially to misstatements of age, may be even more unfavorable.

The available statistics, he said, are not fully utilized. More reliable vital statistics are accumulating daily and many public records exist which are not being used to the best advantage at present. The bureau of census records can be referred to at least as corroborative evidence. If an individual claims to be four or eight years older than the age shown in the census records, some very good supporting evidence should be furnished before a mere statement that the nearest quinquennial age was used in reporting to the census enumerators at the time the census was taken, can be accepted.

Coordination is most essential in company policy. Careful underwriting cannot offset poor investments and, similarly, drastic limitations in the interest assumption underlying annuity premiums cannot offset material discrepancies condoned in other branches of the business.

Memorial Service Is Held for Late Frank H. Davis

(CONTINUED FROM PAGE 1)

make the warmth of all these tributes fully understandable.

"The loss to this company is severe, for Mr. Davis gave to our field organization superb leadership of the highest type. In the institution of life insurance he was honored for the soundness of his counsel, his commanding ability wholesomely to standardize all branches of life underwriting, and, above all, for a nature that was stimulating and uplifting in its sincere friendliness.

Gift of Inspiring Others

"He had to an unusual degree the rich gift of inspiring men to rise above their seeming difficulties, to believe in themselves, and to create for themselves a deserved success. The fruits of his unselfish cooperation with organizations aside from the Penn Mutual will long endure."

Atlantic Seaboard general agents and also those from Charlotte, N. C., attended memorial service.

At Malvern, Ia., the pallbearers were

A. M. Embry, manager Equitable Life of New York at Kansas City; H. T. Wright of Chicago, associate manager Woody agency, and chairman million dollar round table National Association of Life Underwriters, and the following Penn Mutual general agents: Messrs. Stumes, Chicago; Cloover, Wichita; Stevenson, Philadelphia; Johnson, Pittsburgh; Banks, Cleveland, and Patterson, Chicago. The funeral services at the Iowa home were conducted under Masonic auspices.

T. H. Young, superintendent of agents of Yeomen Mutual Life of Des Moines, has returned from an extensive inspection trip of agencies and attending regional conferences of agents in states from the Mississippi river west to the Pacific coast.



Down here in Maryland where THE HORSE IS KING

FLYING hoofs roll out a fast tattoo that quickens the pulse of the wildly cheering throng on tip-toe in its excitement. Maryland racing season is on!—And your home in Baltimore is ready for you.

Your car is taken at the door by an expert garage attendant. Yours is one of 700 comfortable rooms—each with bath and shower, running hot water, full length mirror and bed head reading lamp. You're at the center of Baltimore's business and social activities. You enjoy characteristic Maryland cuisine in any of four distinct restaurants—And the rate—from \$3.00 single.

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